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Bush Sees A Fierce Campaign Declares Quayle Will Help Ticket Across the Nation

NEW ORLEANS — Vice President George Bush, preparing to receive the Republican Party's nomination for president on Wednesday, declared Senator Dan Quayle well qualified to be vice president and vowed that the party's ticket would wage a fierce battle for votes.



George Bush and his vice-presidential running mate, Senator Dan Quayle of Indiana, winning the applause of flag-waving Republicans in New Orleans shortly after Mr. Bush announced his choice.

Zia and U.S. Envoy Die In Aircraft Explosion

Suddenly, A Vacuum In Key Area

By Richard M. Weintraub

KABUL, Afghanistan — The death of President Mohammed Zia ul-Haq of Pakistan throws into turmoil not only the politics of his strategically placed South Asian nation but also abruptly removes one of the most important regional actors in an area of wars and threats of wars.

NEWS ANALYSIS

has been the undisputed leader of his country and for much of that time he has been a close ally of the United States as the two countries cooperated in supporting the Afghan guerrillas in their war against Soviet forces in their homeland.



Mohammed Zia ul-Haq.



Map locates crash site.

Cause of Accident A Mystery

ISLAMABAD, Pakistan — President Mohammed Zia ul-Haq of Pakistan and the U.S. ambassador, Arnold L. Raphel, were killed Wednesday when their military plane exploded in the eastern part of the country.

The official radio said that a Pakistan Air Force C-130 transport with 37 people aboard had just taken off at 4:30 P.M. from Bahawalpur, 530 kilometers (330 miles) south of Islamabad when it exploded.

A government statement read over the radio said there were no survivors.

Unofficial reports said the aircraft might have been struck by an anti-aircraft missile. Another report said the C-130 had collided with a helicopter. Neither Pakistani officials nor U.S. diplomats could confirm what had happened.

Quayle: In the Bush Image

By Susan F. Rasky

WASHINGTON — In choosing Senator Dan Quayle as his running mate, Vice President George Bush has selected a man in his own image: pleasant, affable, conservative — as well as rich and good-looking.



On Page 6 ● Applause from everyone — except the strategists. ● Official events reflect America's diversity. ● Speakers lambaste the Democrats' policies.

Zia's Years at a Glance

Principal events in the 11-year rule of President Mohammed Zia ul-Haq include the following:

- July 5, 1977 — Following civil strife caused by allegations that Prime Minister Zulfikar Ali Bhutto rigged votes, General Zia, the army chief of staff, led a bloodless coup and imposed martial law.
● March 18, 1978 — Mr. Bhutto condemned to death on charge of conspiring to murder a political opponent in 1974.

Mr. Bush, joining Mr. Quayle at a news conference the day after naming the conservative 41-year-old senator from Indiana as his running mate, said Mr. Quayle would help the GOP ticket in every region of the nation.
Mr. Bush said he and Mr. Quayle would be a formidable challenge to the Democratic team of Michael S. Dukakis and Lloyd M. Bentsen.

Kiosk Soviets Witness U.S. Atom Test

PAHUTE MESA, Nevada (AP) — The United States exploded a nuclear device Wednesday under the desert here, with 45 Soviet nuclear scientists, engineers and diplomats witnessing a U.S. test for the first time under an agreement between the two countries.

Who Has the Edge? Seven Polls, Seven Answers

Table showing poll results for Dukakis vs Bush across various news organizations like New York Times-CBS News, ABC News, Gallup, KRC Research, and NBC News-Wall Street Journal.

Trying to Decipher the Polls

Vanishing Leads, Tracking and Other Fuzziness
By E.J. Dionne Jr.
NEW ORLEANS — Vice President George Bush is counting on the Republican National Convention, especially his acceptance speech and his choice of a running mate, to give him a lift in the polls and in his campaign's spirits.

West German Banks: An Accounting

By Ferdinand Protzman
FRANKFURT — The Daimler museum was an appropriate setting for the announcement in 1987, of Edzard Reuter's elevation to the chairmanship of Daimler-Benz AG.
It marked another milestone in the history of a giant company best known for its Mercedes cars: the appointment of a chief executive whose background was in finance rather than in engineering.

Market data section including 'The Dollar in New York' with a table of currency exchange rates, 'Dow Close' with stock index information, and 'The Daily Source' for international business news.

# As Polish Coal Strike Spreads To 2d Mine, Police Lay Siege

By John Tagliabue  
New York Times Service  
WARSAW — A strike in Poland's coal fields widened Wednesday as several hundred miners occupied a second mine and refused to work.

Poland's second-largest after Gdansk confirmed only that strike efforts were under way at the port. The Associated Press added.

Workers at the Morcinek mine, in southern Poland near the Czechoslovak border, evidently struck in answer to calls for support by strikers at one of the country's largest mines, the July Manifesto mine near Jastrzebie.

# Soviet Officials Deny Book-Censorship Plot

By Bill Keller  
New York Times Service  
MOSCOW — The Soviet Ministry of Culture angrily denied Wednesday a report published in the government newspaper Izvestia that public libraries have been ordered to rid their collections of political books published before Mikhail S. Gorbachev came to power.

The letter has caused a major embarrassment. The episode is troubling for Izvestia because, under a government decree issued earlier this year, newspapers were forbidden to publish letters without properly identifying the writers.

At Jastrzebie, the government appeared to be employing tactics similar to those it used in April and May to defuse major strikes at large steel and shipbuilding enterprises.

But a Soviet reader who wants to explore Mr. Brezhnev's 10-volume work, "By Lenin's Course," or writings by others who have fallen out of favor, would still be able to do so, she said.

The letter said the order included the works of Mr. Brezhnev and another former leader, Konstantin U. Chernenko. It also said that all records of the Communist Party congresses presided over by Mr. Brezhnev were ordered removed.

Supplies of food to the mine were cut, and family members of the miners who heeded appeals for food were prevented by the police from delivering it.

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# U.S. Envoy Who Perished Was an Admired Diplomat

The Associated Press  
WASHINGTON — Despite his relative youth, Arnold L. Raphael was one of the State Department's most experienced Southwest Asian diplomats.

At the time, he was the senior special assistant to then-Secretary of State Cyrus R. Vance and to Mr. Vance's successor, Edmond S. Muskie.

Before his appointment by President Ronald Reagan as ambassador to Pakistan in 1987, Mr. Raphael held senior positions in the political-military affairs bureau and the Middle East bureau of the State Department.

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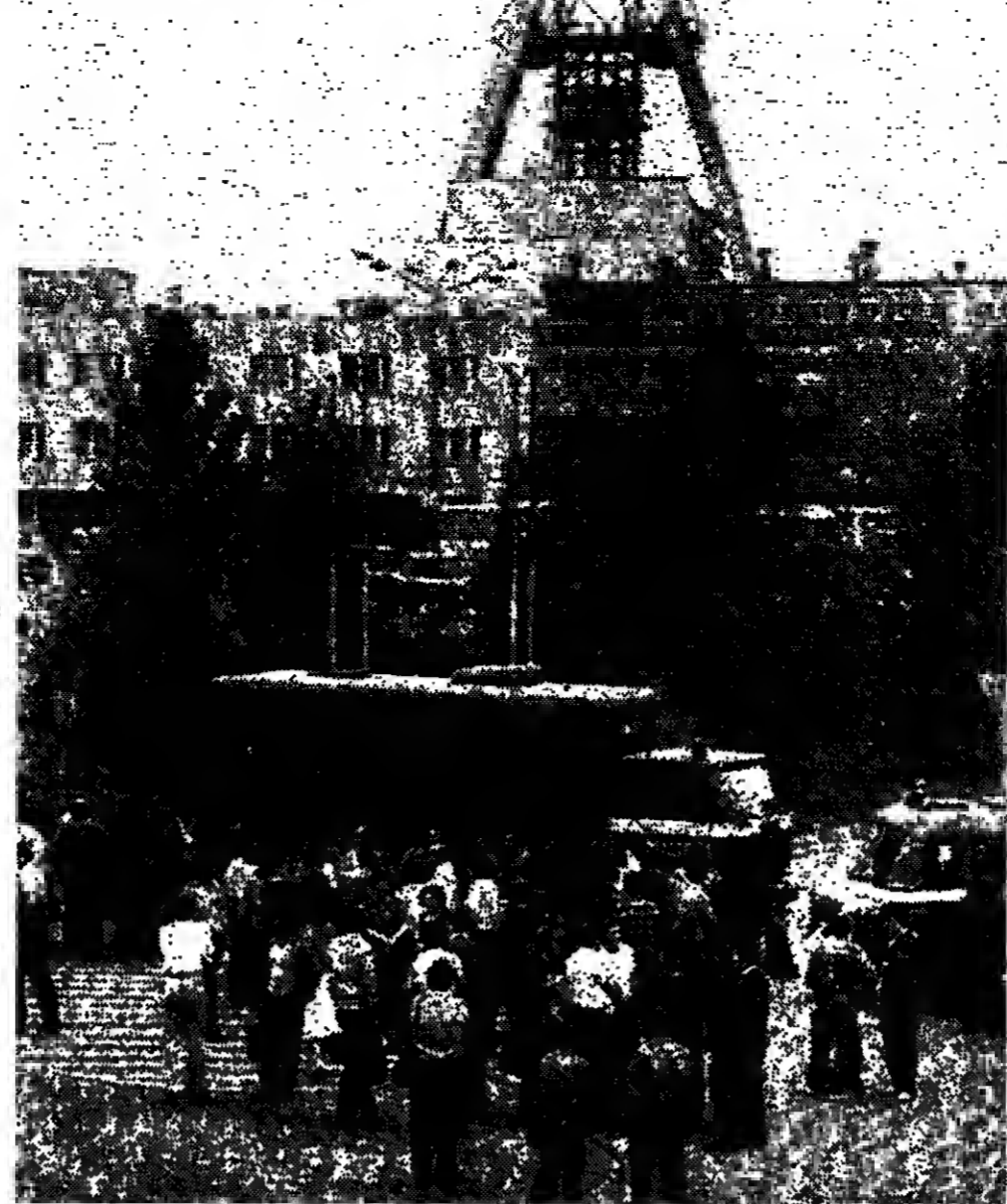
Two years later he was assigned to Tehran. A native of Troy, New York, Mr. Raphael was born on March 16, 1943, and received his bachelor of arts degree from Hamilton College in 1964.

Before joining the Foreign Service, he received a master's degree from Syracuse University. Mr. Raphael was recently married to a Foreign Service officer. He had a daughter by a previous marriage.

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**Franklin D. Roosevelt Jr. Dies at 74**  
The Associated Press  
POUGHKEEPSIE, N.Y. — Franklin Delano Roosevelt Jr., a former congressman and the third son of Franklin and Eleanor Roosevelt, died of cancer Wednesday, his 74th birthday.



In Jastrzebie, Poland, miners Wednesday kept police from entering a mine where a strike continues.

# In Poland, Some Building Projects Are Serving as Monuments to Delay

New York Times Service  
WARSAW — A statue of Felix Dzierzynski, Lenin's first secret police chief, stands day after day at a tarnished 29-story building in central Warsaw.

Dzierzynski, who as a son of Poland went into history for helping Lenin's Bolsheviks, thrived on suborn cases. But few of his cases were likely to have matched the intractability of this building, which refuses to be finished.

Such projects abound in Poland. A drive through any city reveals ghosts of unfinished factories and superhighways. They reflect the on-again-off-again economy, its shortages and breakdowns.

# ZIA: President Killed in Explosion

(Continued from Page 1)  
In early 1986 he dismissed the government again on May 29, saying it had failed to maintain law and order and to enact Islamic law.

Since then, the skyscraper has stood looking like a modern office building — except it is empty. Naked steel girders that would have been part of an elegant tower now look like heavy iron cobwebs.

By 1971 work resumed, and five years later the aluminum shell of the building became part of the Warsaw skyline. Then, again Poland went into a slump and by 1980 work had stopped, and such is the condition that prevails until today," he sighed.

# Monroe Wheeler, 89, N.Y. Museum Official

NEW YORK (NYT) — Monroe Wheeler, 89, who over the past half century was deeply involved in the publication and exhibition programs of the Museum of Modern Art, died Sunday in New York.

Before joining the museum, Mr. Wheeler had been a publisher for six years in Europe, where he befriended many leading modern artists — among them Picasso, Renoir and Chagall — and commissioned deluxe illustrated books and limited-edition prints from them.

Mr. Wheeler joined the museum in 1935, six years after the museum opened, and became a key figure in the institution's work. In 1941, he was named head of the department of exhibitions and publications, a post he kept until 1967, when he resigned to become an adviser to the board of trustees.

# WORLD BRIEFS

## Israel Will Deport 29 Palestinians; Troops Kill West Bank 9-Year-Old

JERUSALEM (UPI) — Israel expelled four Palestinians accused of anti-Israel activities Wednesday and ordered 25 others deported. Troops shot and killed a 9-year-old girl in the West Bank city of Jenin, and 10 other Arabs were wounded in the Israeli-occupied territories, the army said.

## 22 Die and 100 Hurt on Soviet Train

MOSCOW (AP) — A high-speed passenger train carrying more than 700 people from Leningrad to Moscow derailed and caught fire, killing at least 22 people and injuring more than 100, the Soviet press reported Wednesday.

## Botha Wishes Mandela Fast Recovery

JOHANNESBURG (AP) — President Pieter W. Botha said Wednesday that the jailed black leader Nelson Mandela, who, his attorney says, is hospitalized with tuberculosis, is receiving the best possible care and wished him a speedy recovery.

## 5 Bombs Rock Beirut Ahead of Vote

BEIRUT (AP) — Five bombs exploded in West Beirut, causing damage but no casualties, as the parliament's scheduled vote for a president approached, and Druze and Christian militiamen battled southeast of the capital, the police said Wednesday.

## Singapore to Hold Elections Sept. 3

SINGAPORE (UPI) — The government dissolved the 81-seat Parliament Wednesday and scheduled elections Sept. 3, as the opposition vowed to challenge the governing party's 29-year-old grip on the legislature.

## United May Lose Seattle-Tokyo Link

CHICAGO (NYT) — An official at the Department of Transportation has recommended that the agency revoke United Air Lines Inc.'s right to operate flights between Seattle and Tokyo and that it award the route to American Airlines Inc. instead. His opinion, however, is not final.

## Rangoon Rally Honors Victims of Shootings

BANGKOK — As many as 5,000 people reportedly held a peaceful rally in the Burmese capital of Rangoon Wednesday, in the largest demonstration since rioting last week, when soldiers shot and killed hundreds of protesters.

## Other deaths

Joe (Tiger Joe) Walcott, 55, who trained three world heavyweight boxing champions, including Joe Frazier, on Sunday in Philadelphia. He also trained Jersey Joe Walcott, whose real name was Arnold Cream, and Earnie Terrell. Roy Buchanan, 47, regarded as one of the world's finest rock guitarists, hanged himself with his shirt in a cell shortly after being jailed for public drunkenness in Fairfax, Virginia on Sunday.

California Expensive Over Car I

By Robert Reinhold  
LOS ANGELES — When shopping for a car, the average American probably has never heard of California's new car tax. It's a new tax on the purchase of a new car, and it's even more expensive than the old tax.

California's new car tax is a 6.75 percent tax on the purchase price of a new car. It's a tax on the purchase of a new car, and it's even more expensive than the old tax.

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## California Wages Expensive Battle Over Car Insurance

By Robert Reinhold  
*New York Times Service*  
**LOS ANGELES** — What is shaping up as the costliest election race in American history except for the one for the presidency is gathering force in California — and no one is even running for office.

The issue is automobile insurance. Voters will face five referendums on the November ballot. Depending on the outcome, premiums could be rolled back by 7 to 50 percent and claims limited, along with other revisions.

Insurance is an emotional issue in a state where driving is nearly as much a necessity as food and shelter. Faced with crushing premiums, Californians have started an insurance revolution with the same fervor that they started the taxpayer rebellion 10 years ago.

The insurance industry fears that this revolt, like that one, will spread — consumer anger is already building in New Jersey, where rates are even higher than in California — and about 250 insurance companies have built a \$43 million fund to fight it and offer their own "no-fault" plan to lower rates.

Opposing them are trial lawyers, consumer groups and others. The battle is expected to cost about \$60 million, making it by far the most expensive election race ever held in any state.

Voters may vote for any or all of the proposals, meaning that more than one could pass. Under California law, the one garnering the most votes prevails — but if other propositions that get more than 50 percent of the vote contain provisions not in the leader, then those provisions also go into effect.

The results could be so confusing, particularly if some winning measures contradict each other, that the courts may have to sort out the results.

"California is a bellwether state — what happens here can spread," said Donald H. McComber, executive vice president of Fireman's Fund Insurance Co., who is leading the industry effort. "Everybody thinks we make too much money. We have to spend a lot of money to communicate what no-fault is and overcome the fact we sponsor it."

The insurers' no-fault proposal would have a motorist's own insurer pay for medical expenses and lost wages, and limit pain-and-suffering damages and lawyers' contingency fees.

A competing plan backed by trial lawyers would preserve the conventional tort system, in which the party at fault in an accident and his insurer must pay, but impose new controls on the insurers.



U.S.-backed contra rebels carrying out training exercises at a base camp in Honduras near the border with Nicaragua.

## Bureaucratic Maze Slows Aid to Contras

By Julia Preston  
*Washington Post Service*

**TEGUCIGALPA, Honduras** — A bureaucratic maze in the administration of U.S. aid to the Nicaraguan rebels is causing food shortages and deepening resentment in their base camps.

From contra commanders to U.S. officials, those who handle the food and medical aid program say it is handicapped by often ludicrous accounting restraints, apparently the result of the ambivalence of Congress.

"In 25 years of government experience this is the worst thing I've ever seen for implementing a program," said an official of the U.S. Agency for International Development, or AID, which is in charge of administering the aid.

The agency is providing food and medicine for nearly 30,000 people camped on the Honduran side of the border with Nicaragua. They include about 11,000 contra fighters, at least 5,000 of their dependents and some Honduran peasants who live in the area.

Of the \$48 million humanitarian aid package approved by Congress on March 30, about \$17.7 million was earmarked for the contras, as the rebels are called.

The remaining funds were to be used for medical care for children who are victims of the war, the expenses of a commission set up to verify the

provisions of a cease-fire accord between the contras and the Sandinist government of Nicaragua, and various administrative costs.

The bill represented a compromise worked out by legislators who were sharply divided on the issue of aid to the contras, especially following the cease-fire, which was signed earlier in March.

A small portion of a \$27 million humanitarian aid package approved in 1985 was used by the contras for military materiel, and distrustful U.S. lawmakers wanted to make sure that did not happen again.

Now seven congressional committees have almost daily oversight of the program. There are three levels of accountants: from AID, the General Accounting Office and Price Waterhouse, a private firm. There are two auditors for every hands-on administrator.

"I work with an inspector literally peering over the corner of my desk," said one U.S. official.

An AID official said administrative bottlenecks in the program have occasionally resulted in short-term shortages of food and vital supplies for the contras.

The accountants are required to close the books at the end of every month, and one effect of this system is that staples, such as beans, purchased one month might be scarce or unavailable the next.

U.S. officials in Honduras, at first confused by this method, lost \$1.6 million in April by not spending it fast enough. But some of those funds have been recovered.

The program does not provide fuel or trucks to deliver aid to the contra camps. As a result, AID must rely on irregular local transport, further contributing to shortages.

Some vital goods are barred by law and others take time to deliver. A contra spokesman, Bosco Mata-moore, recounted how one truckload of bananas for the camps was held up as they were counted one by one and searched with metal detectors for bullets.

AID also is responsible for delivering food supplies and hundreds of thousands of dollars worth of Nicaraguan currency to contras who are still inside Nicaragua. By and large those deliveries — carried into Nicaragua by individual contra fighters or hauled by mule train — have been successful, with some hitches.

One mule train went into Nicaragua in June with two dozen mules, but returned with only six. U.S. officials said hungry contras ate the other mules.

Earlier this summer, a Nicaraguan youth died on the operating table at the contras' main hospital in Aguacate, Honduras, a source

familiar with the incident said, because the hospital's generator ran out of fuel during her operation.

The U.S. aid package covers medical care, but does not provide fuel for generators.

The military commander of the contras, Enrique Bermúdez, said that the humanitarian aid program was demeaning to his forces.

"We're combatants," he said. "They're trying to treat us like refugees."

He said that Washington was trying to prevent him from keeping his forces in fighting condition by reducing them to rations more appropriate for emergency disaster and refugee relief.

Differences have arisen between AID and contra leaders over the type of beans supplied to the camps. A drought last year resulted in a bean shortage in Honduras this summer, and AID had to bring black beans for the contras from the United States.

But though red beans are Nicaragua's most basic food, the contras balked at the black beans, and saw them as an insult. Nicaraguans feed black beans to their pigs.

At one camp near the Honduran town of Yamales, 195 kilometers (120 miles) east of Tegucigalpa, contra fighters said Sunday that they had had nothing to eat for three days but corn tortillas.

## U.S. Promises Cleanup Of Antarctic Pollution

By Warren E. Leary  
*New York Times Service*

**WASHINGTON** — A U.S. official has acknowledged that activities at American research bases in Antarctica have polluted their surroundings but says that cleanup efforts are under way.

"We believe, like our critics do, that as the last pristine environment on Earth, Antarctica should be protected," said John B. Talmadge of the Polar Programs Division of the National Science Foundation, the agency that administers all American activities on the frozen continent. "But there may be disagreement on how fast we are doing it."

In an interview, Mr. Talmadge said: "We've made many efforts in the last few years to clean up the results of earlier scientific expeditions and activities. Environmental standards have changed in the last 30 years, and we are responding. Earlier, we were an expeditionary force worried more about surviving in a harsh environment than anything else. This has changed in the last 10 years."

Mr. Talmadge was responding to assertions made Tuesday by the Environmental Defense Fund, which said in a report that the U.S. government has not done enough to protect wildlife in the Antarctic and to respond to the pollution problem.

Bruce S. Manheim Jr., a lawyer and scientist with the environmental group, said that the United States is a major offender when it comes to polluting Antarctica and that the National Science Foundation has been slow to carry out sound environmental policies in the region.

America operates four of the 57 bases used by 18 nations for scientific research on the continent, which is roughly the size of the continental United States and Mexico combined. Antarctica is administered under the Antarctic Treaty, an international agreement signed in 1959 that established the continent as a demilitarized scientific preserve.

At the largest American base, on McMurdo Sound, Mr. Manheim said that untreated sanitation waste is discharged into Antarctic waters, combustible waste is burned in open pits with no emission controls, nonburnable waste is dumped at sea or bulldozed into open pits, and power generators operate without pollution controls.

In addition, he said, the United States has not moved quickly to establish plans for protecting the indigenous animal life and to develop administrative policies for restricting access to special, environmentally sensitive areas.

"The things I've cited are con-

tinuing abuses," Mr. Manheim said. "The only things the NSF has done, and only after pressure from Greenpeace and other environmental groups, is to return some scrap metal and some 55-gallon (209-liter) drums of waste that have been there for years."

"Although the foundation says it is cleaning up the environment — and it has made many promises in the past — there is still open burning, they still do not treat raw sewage, and they are not restricting the discharge of toxic chemicals from scientific research into the water."

Mr. Talmadge noted that last year the foundation approved a new environmental plan for its activities in Antarctica and intends to install a water-treatment plant at the McMurdo site. It may also put in an incinerator for controlled waste burning. There is as yet no timetable for these improvements, he said.

Last year, the foundation shipped 160 tons of scrap metal, 500 barrels of waste oil and 60 big containers of general waste from Antarctica, and will continue this practice in the future, he added.

Mr. Manheim said American environmental policies are better than those of some nations in Antarctica, but worse than others. Australia and New Zealand, for example, treat their waste water and ship most waste back to their countries rather than leave it in Antarctica.

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Herald Tribune

Bush's Perplexing Choice

Just at the moment that Air Force One took off from New Orleans on Tuesday, carrying President and Mrs. Reagan to California, the Republican convention became George Bush's convention, the Republican Party became George Bush's party and its direction became his direction. Almost immediately, he turned to a surprising running mate and in a surprising direction.

campaigner and forceful speaker. He has not made a major mark in the Senate but his views would appear to be consistent with the rigorously conservative new party platform. What did George Bush have in mind? Several other possible choices, including Mr. Dole, are also conservative. Also, it was never really in the cards that Mr. Bush would choose an Eastern or Northeastern Republican with progressive credentials, like Governor Tom Kean of New Jersey, Tuesday night's keynote speaker.

Stubborn Trade Deficit

President Reagan sized up the U.S. economy the other night with a recitation of rosy but incomplete facts. "Facts are stubborn things," he said at the Republican convention. Indeed: Barely 10 hours later, the government reported that the trade deficit had worsened in June. This is one stubborn fact that Mr. Reagan did not even mention.

warning. To the extent that this slows exports and further boosts imports, the gap will become even tougher to close. Ignoring the trade deficit is just how it got to be such a big problem. Huge borrowing to finance the huge Reagan budget deficits kept interest rates high in the early 1980s, attracting a flood of foreign investment in U.S. securities. Foreigners needed the dollars they needed for these investments sent the dollar's value sky high.

It's All Against the Grain

U.S. grain and soybean reserves will fall to perilously low levels over the coming year. That is the meaning of the crop estimates just published by the Agriculture Department. Grain production will be down nearly a third from last year. Unfortunately, the United States is not the only country with a poor harvest. Production apparently will be low in China as well.

the lessons of that unhappy experience. One, surely, is for the Agriculture Department not to ignore the inflationary pressures ahead. No administrator likes to talk about such a prospect, but it is a real one. Signs of a Soviet warming toward Japan may also be related to the view of Japan's emerging power. "Future historians may well mark the mid-1980s as the time when Japan surpassed the United States to become the world's dominant economic power," Ezra Vogel, Harvard professor and author of "Japan as No. 1," wrote a few years ago.

The College Aid Shortfall

Tuition at private American colleges this September will be about 9 percent higher on the average than a year ago. The average student at a public college will pay about 5 percent more. The College Board's annual survey shows a familiar pattern with troubling implications. The costs of going to college are outstripping the aid available.

as long as people are willing to keep paying. There are two reasons. As college costs rise faster than the available aid, colleges will become increasingly segregated by economic class. Beyond that, there is a limit to the debts students can carry. Student aid is now mainly loans, and loading debt onto young people, particularly undergraduates, is not a solution that can be pursued indefinitely.

Genscher, Master Contortionist

By Jim Hoagland

BONN — Despite the hopes of NATO strategists, the wave of popularity that Mikhail Gorbachev has been riding in West Germany has still not crested. How do I know? By reading opinion polls and listening to the constantly warming enthusiasm for Mr. Gorbachev voiced by Foreign Minister Hans-Dietrich Genscher.

He is Bonn's wildest survivor, NATO's biggest 'Gorbaphile.'

craftily tracks public-opinion trends is a German political riddle of the first order. Gorbomania has made transparent Mr. Genscher's willingness to mix domestic politics and East-West policies when it helps his favorite cause — which is himself and not détente.

"irreversible," a term that implies the Soviets may no longer represent a long-term threat to the West. Mr. Genscher returned from his three-day trip to Moscow earlier this month with tangible signs of Soviet appreciation for his diplomatic trailblazing. Mr. Gorbachev released the daredevil German aviator, Mathias Rust, less than three days after meeting with Mr. Genscher. Mr. Gorbachev also told his negotiators in the Vienna talks on a new conventional arms-control mandate to ease the Soviet stance slightly on the major remaining block — the question of weapons that deliver both conventional and nuclear warheads.

The debate stirred by Mr. Genscher in alliance councils too rarely breaks into public view. It is conducted in muted asides and innuendoes by his West German rivals and his foreign opponents. When Mr. Genscher's aides feel compelled to respond, they employ sneaky tactics as well. They play up the media nuances that Mr. Genscher carefully inserts into his statements on the Soviets and then try to deny or explain away his bolder endorsement of Mr. Gorbachev.



Drawing by LURIE.

nic things about the Soviets and putting his weight behind more East-West trade. Mr. Genscher's critics have fastened upon him as the personification of their concerns about Germans in general. The latest fear of a deal that would result in the reunification of Germany as Europe's new great power, whatever the nature of its relationship to the Soviet Union, is at the core of much of the commentary in Paris, London and Washington about "Genscher's unreliability."

No. 1? No, the Japanese Should Try Harder to Be No. 2

By Yoichi Funabashi

TOKYO — A new awareness of Japan as a world economic superpower is emerging. To some extent, the nation's enhanced economic influence translates into political power because of the relative erosion of the leadership of the two other economic powers, the United States and the European Community.

Ironically, this aspiration can only be realized if the United States remains dominant, both militarily and economically. Only a global strategy that maintains the United States as No. 1, with Japan as an auxiliary economic power, will enable Japan to pursue the dream of economic power.

The only productive alternative to the Japan-as-No. 1 argument would seem to be a global strategy in which Japan would use its new "money power" to sustain and support the dominant economy of the United States over the next several years. Within that time, America will be forced to put its house in order by reducing its deficits and making its industries more competitive.

Productivity: American Heads Are Back Above Water

By Robert J. Samuelson

WASHINGTON — I am about to make a statement that I may some day regret. The productivity slump in America is over. Productivity reflects everything that increases an economy's efficiency: new technologies, more investment, good management and sound business practices.

real wages — their living standards — without improving productivity. The steady increases of the 1950s and 1960s underpinned the glory years of the U.S. economy. More families bought second cars and moved into bigger homes, equipped with more appliances. Fringe benefits expanded. But you should take Mr. Dukakis's pledge (and anyone else's) with a huge grain of salt.

missive business climate turned punitive. Companies could not be competing. They were battered by the deep 1981-82 recession and tough foreign competition. Hostile takeover threatened managements that invested poorly or ran wasteful companies.

INTERNATIONAL HERALD TRIBUNE JOHN HAY WHITNEY, Chairman 1978-1982 KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER Co-Chairmen

'Liberal' Is Now a Dirty Word

At some stage in recent history, the word "liberal" acquired a pejorative connotation, meaning I suppose, radical or pinko, and certainly big spender. But "conservative" remains its old virtues, suggesting faith in God and country.

Now I'm a liberal who takes the label to mean a compassionate person who acknowledges that in a complicated society, government cannot leave all decisions to the whims of the marketplace. So I find these condemnations offensive. But this distasteful business won't stop. Republican strategists believe that "liberal" so taints Mr. Dukakis that it will help bring him down.

100, 75 AND 50 YEARS AGO

1888: Out of Zanzibar PARIS — A dispatch from Zanzibar states that the German Company has officially received charge of the administration of the coast line from the Sultan, hoisting its flag at fourteen points in conjunction with the Sultan's flag, under a Royal salute. The Italian Envoy still declines to renew amicable relations with the Sultan. The British Admiral and fleet and the Tamar, the Rifle Brigade, will arrive tomorrow. The German fleet is here. Large numbers of slaves are now awaiting shipment on the coast.

1913: Auto Invasion CARLSBAD — "The American automobile invasion of Europe cannot be checked. Fifty thousand machines will be shipped to Europe from our factories during the next fiscal year, and even at that rate the supply was inadequate. We cannot send them rapidly enough to satisfy the demand."

1938: Soviet Clash MOSCOW — The Soviet-Japanese incident on the Siberian Korean Manchurian frontier which led to fierce fighting in which several hundred Russians and Japanese were killed appeared definitely ended today [Aug. 17]. The Counselor to the Japanese Embassy in Moscow, Nishi, today informed the Soviet Foreign Office that the terms of the truce had been carried out and that the opposing troops had withdrawn a certain distance.

Tell Him Go Loud Enough... NEW ORLEANS... ON MY MIND... Out From the Shadow... U.S. Philip... Indians Capture

OPINION



The Last Temptation of Ronald Reagan

Tell Him Goodbye, Mr. Bush, Loud Enough for All to Hear

By A. M. Rosenthal

NEW ORLEANS — The parties are gay and breezy. New Orleans food is delicious and cheap.

ON MY MIND

As vice president, Mr. Bush feels an obligation to make sure that anything important he says is not only coordinated with the press but reflects what the U.S. government, particularly the Defense and State Department and intelligence agencies, are trying to do.

Mr. Bush has been doing that during the campaign, the delegate said, and it is a mistake, he says in too much, to make him sound like a bureaucratic echo.

Some delegates talk generally about how Mr. Bush has to get out there and lead. Some focus on one issue — lead on foreign affairs and security; that is the most important thing and the Democrats' weakness.

Mr. Bush knows how the delegates feel. One thing he has plenty of is advice. On his campaign plane last week, he said he would deal with what he called the "distancing issue" — showing himself as loyal but separate from Mr. Reagan.

So there you have the question and the paradox. This convention addresses Mr. Reagan and would love nothing better than to be able to nominate him again.

But, almost desperately, many delegates believe the time has come for Mr. Bush somehow to embrace Mr. Reagan while whispering farewell loud enough for the country to hear.

Decline and Fall: The Model, in Any Case, Is Not Spain

In reference to the recent theories advanced by Paul Kennedy in "The Rise and Fall of the Great Powers," and the various comments on your page regarding America's decline as a world power, I would like to point out some significant differences between the United States of the 20th century and the Spanish Empire of the 16th and 17th centuries.

Unlike the United States, which has the advantage of learning from the mistakes of Spain, France and Britain, Spain set out to become the first world-wide empire, an enterprise that was new to the emerging states of Europe.

The United States may have had its Torquemada in McCarthy, and it may have been isolationist at times, but the McCarthy episode can be seen as an exception in the history of a government that has, at least officially, encouraged basic freedoms, including the free flow of information and ideas.

Last but not least, the governing systems of the U.S. and Spain could not have been more different. After the formidable reigns of Ferdinand and Isabella, Charles V and Philip II, Spain was cursed by a series of feeble-minded monarchs who were more adept at art collecting than governing.

The duties of empire plunged Spain into another round of wars of hegemony, religion and commerce. Spain faced internal conflict between the former kingdoms that jealously guarded their medieval constitutions against expanding Castilian influence.

Since the 1800s the United States has not had to contend with secessionist threats nor with war in the North American continent. American military history pales in comparison to the Spanish experience during the reigns of Charles V and Philip II, not to mention the conquest of the American continent.

LETTERS TO THE EDITOR

ary, beat-generation writing style, but focused on the state of his home town, his quality of fatherhood, and other relevant facts. As with Fitzgerald, Hemingway and others, it seems Kerouac's literary genius will always be overshadowed by the complexities of his private life.

KEVIN GILROY, Colombo

The Camps Were No Secret

Regarding the Washington Post editorial "The Apology Was Overdue" (Aug. 8):

The bill that seeks to compensate Japanese-American survivors of World War II internment camps will also provide funds for an education and research program to compile and publicize the complete history of the episode.

So be it — but let us not pretend that we know nothing about life in those camps. Many important people know, notably President Roosevelt. He kept them going for six months after the War Department decided in the spring of 1944 that it could no longer justify the detention program.

But there was respect in Robert's eyes as I strode out to face the spider — as well there should have been. Bernice (that's the spider's technical Latin name) had erected a huge web right outside our front door, an ideal location because in July the South Florida atmosphere consists of one part oxygen and 247 parts mosquito, which meant Bernice had plenty to eat.

DAVID DORRANCE, Paris

On Getting Bernice in the Jar And Bugging the Drug Dealer

By Dave Barry

MIAMI — On my 41st birthday, a Sunday in July, I went out to face the spider.

It had to happen. There comes a time in a man's life that he hears a voice — often this happens when he is lying on the couch reading about Norway in the Travel section — and this voice says: "Happy Birthday. Do you think you could do something about the spider?"

And a man knows, just as surely as he knows the importance of a right-handed pitcher, that he must heed this voice, because it belongs to his wife, who, although she is a liberated and independent and tough woman of the '80s, is deeply respectful of the natural division of responsibilities that has guided the human race for nearly 4 million years.

And so I called softly for my son Robert. "Robert," I called, and within a matter of seconds he did not appear at my side, because he was in the family room watching TV commercials for breakfast cereals that are the same color and texture as candy, but have less nutritional content. So I called louder.

"Robert," I said, "Fetch me the wooden stick that your pirate flag was attached to, and the peanut butter jar with the holes punched in the lid, for I am going to face the spider."

On hearing those words Robert came instantly, and he looked at me with a respect I have not seen in his eyes for some time now, not since we got the Nintendo. The Nintendo is an electronic video game that is mindless and stupid and hateful, and Robert is much better at it than I am. He is 7, and he can consistently rescue the princess, whereas I, a 41-year-old college graduate, cannot even get past the turtles. The worst part is the way Robert says, "Good try, Dad!" in a perfect imitation of the cheerfully condescending voice I used to use on him back when I could beat him at everything. I don't know where kids pick up such behavior.

But there was respect in Robert's eyes as I strode out to face the spider — as well there should have been. Bernice (that's the spider's technical Latin name) had erected a huge web right outside our front door, an ideal location because in July the South Florida atmosphere consists of one part oxygen and 247 parts mosquito, which meant Bernice had plenty to eat. Also on hand in the web was her husband Bill, who, despite the fact that he was one-sixteenth her size, nevertheless played an important ecological role in the relationship, namely trying not to look like prey.

"I may be small," Bill would say, "but I am certainly not prey! No sir! I am a spider! Yes! Just a regular, nonprey . . ."

"Stut up," Bernice would say. "Yes!" Bill would point out. They really were a fun couple.

Nevertheless, I approached them cautiously, hoping any noise I made would be drowned out by the roar of the lawn growing. July is what we South Floridians call the "Rainy Season" because it would depress us too much to come right out and call it the "Great Arrmp Season."

When we read the stories about drought-stricken Midwestern farmers who can't grow crops in their fields, we are forced to laugh with bitter irony, because down here we can, without trying, grow crops in our laundry.

"Don't hit me!" said Bill. "I'm preying!" she was saying. "I'm gonna lay 175 billion eggs in your ears. I'm gonna . . ."

This was fun, but eventually we decided it was time to get rid of Bernice. Following the procedure recommended by leading ecologists for the disposal of runaway-crawled spiders, namely: Release them on a drug dealer's lawn.

Like many South Floridians, we have a house in our neighborhood that we are pretty sure is occupied by drug dealers; there are subtle clues such as cars coming and going at all hours, bed sheets over the windows, a big sign stating "Drugs for Sale Here," etc.

We decided this would make a fine new home for Bernice, so we drove casually by, and I real quick opened the jar and shook Bernice onto the lawn. She scuttled off angrily straight toward the house. "I'm gonna fill your nasal passages with web," she was saying. "I'm gonna . . ."

But she was no longer our problem. We were already driving off, Robert and I, going shopping for a present for my 41st birthday. We went to the toy store. Knight-Ridder Newspapers.

Save 40% or more off your newsstand price when you subscribe for 12 months to the International Herald Tribune. The longer you subscribe the more you save. We'll give you 13 extra issues for each three months you subscribe. That's 26 extra issues for six months — or — 52 extra issues for a twelve-month subscription. Total savings: Up to 40% or more in most European countries. Herald Tribune. To: Subscription Manager, International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France.

U.S.-Philippine Negotiations on Bases Appear to Be Stalled

By Keith B. Richburg

MANILA — Negotiations over the future of two large American military bases here appear to have stalled, as the two sides announced Wednesday a suspension in the talks until next month.

With American and Philippine negotiators apparently still far apart on a number of major issues, including the contentious one of how much the United States should pay for the bases for the next three years, the talks have become hostage to a tight political calendar that includes America's annual fall budget-making process and the November elections.

The two panels announced the temporary break because U.S. Ambassador Nicholas Platt, who heads the American team, is departing Friday for a preplanned trip to Washington.

Ambassador Platt returns to Manila in the middle of next month, just a few days before the chief Philippine negotiator, Foreign Minister Raul S. Manglapus, is scheduled to leave for New York to attend the opening of the UN General Assembly.

According to the U.S. budget calendar, federal agencies must submit their budget requests to the Office of Management and Budget before October. A U.S. Embassy spokesman, Mary Carina Yates, said that any funding proposals submitted after that time conceivably "could be at risk."

Mr. Manglapus said he ruled out an early conclusion to the talks. Because of the apparent impasse, speculation has increased that a final agreement may have to wait until a new American president takes office in January. Spokesmen for both sides, however, said that U.S. presidential politics was never discussed during the sessions.

The increasingly pessimistic tone that an agreement can be reached anytime soon stands in sharp contrast to the upbeat mood that prevailed during the visit of Secretary of State George P. Shultz early last month. At that time, both Philippine and U.S. government officials expressed outward confidence that an agreement would be concluded by the end of the month.

Since then, the talks have soured, with the Philippine panel at one point walking out and announcing a unilateral suspension to protest what they called U.S. intransigence on the compensation issue. They also accused the United States of reneging on what they thought was a commitment made by Mr. Shultz to pay a much higher price for the bases.

The Philippine panel is reportedly asking the Americans to pay upward of a billion dollars a year for use of the two facilities, Clark Air Base, which is home of the U.S. 13th Air Wing, and Subic Bay Naval Station, the rest and repair station for U.S. 7th Fleet and for American ships operating in the Gulf. The two bases are America's largest offshore military facilities.

Both sides have expressed frustration that the talks over the negotiations have not progressed faster. Earlier this week, Mr. Manglapus issued a pessimistic assessment of the talks, saying "wide gaps" still existed between the Philippine and American positions. "We're not coming all that close to an agreement," he said. "The U.S. position as well as our position still have to meet. We have to bridge the gap between the two of them."

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NEW AUSTRALIAN GOVERNOR-GENERAL — Foreign Minister Bill Hayden, 55, right, gets a pat on the back from Prime Minister Bob Hawke after the announcement in Canberra on Wednesday that Mr. Hayden will become the next governor-general in February, replacing Sir Ninian Stephen. Clearing the way for his appointment, he has resigned as foreign minister.

Indians Capture 300 in Sri Lanka Sweep

COLOMBO — Indian troops captured 300 suspected Tamil militants and killed four in Sri Lanka's northern jungles during an offensive intended to break rebel resistance to a peace plan, officials said Wednesday.

Troops of the 49,000-strong Indian peace-keeping force rounded up the 300, who are suspected of being members of the dominant separatist group, the Liberation Tigers of Tamil Eelam, Tuesday in the Wanni forest, a Sri Lankan military spokesman said.

He said one Indian soldier died in a firefight with guerrillas. The Tigers lost four in the clash, he added.

Officials said the operation was aimed at mopping up remaining rebel resistance to the July 1987 peace accord so that elections could be staged in the Northern and Eastern provinces.

2 Koreas' Delegates To Meet Friday To Discuss Joint Parliament Session

SEOUL — Delegations from South Korea and North Korea are to meet Friday in the border town of Panmunjom to discuss a proposed meeting of parliaments, officials here and in Pyongyang said Wednesday.

But the agreement for the first direct talks between the two sides in three years is seen as an attempt by both governments to make maximum propaganda use of the forthcoming Seoul Olympics.

On Wednesday, Pyongyang accepted a Seoul proposal of a week ago for an exploratory meeting of five delegates from each side.

North Korea broke off direct talks in 1985 to protest joint U.S.-South Korean military exercises.

Both sides say the Panmunjom meeting is intended to pave the way for a full session of the two parliaments before the end of the month, either in Seoul or in Pyongyang.

"I don't know anyone who believes that the North or the South are in any way sincere about these talks," commented one observer.

An overture on July 7 from the South Korean president, Roh Tae Woo, opened the way for the possible thaw in relations. He called for an end to "confrontational attitudes" and for direct trade and also student exchanges.

In a surprise response, North Korea proposed inter-parliamentary talks but also erected two seemingly impossible obstacles to Seoul's acceptance.

The North said it wanted to widen the forum to include representatives from "various sectors of society" and that the central topic should be co-hosting of the Olympic Games, along with discussion on a bilateral nonaggression pact.

North Korea has threatened to stay away from the games, scheduled from Sept. 17 to Oct. 2, unless it is accorded co-host status.

But analysts say its agenda for the talks is unacceptable to Seoul. They added that the first demand was intended to lead to the inclusion of delegations representing radical students and South Korean dissidents, while the second has been rejected since 1985 as impossible under Olympic rules.

Observers said North Korea was hoping to cast a cloud over the Olympics by a climate of uncertainty until the last minute in a new twist in the war of nerves on the divided peninsula.

Pyeongyang first raised the co-hosting issue in 1985 and threatened to lead a Communist boycott unless its demands were met. It has since rejected repeated International Olympic Committee offers of a share of five sports.

The threat collapsed when the Soviet Union, China and East European countries agreed to the Olympics. Lately, the president of the International Olympic Committee, Juan Antonio Samaranch, and South Korean sports leaders have made it clear that the offer to North Korea to share sports is no longer valid.

With four weeks to go before the games start, South Korean Olympic officials say the North has no choice but to participate "just like any other country."

Now Pyongyang appears to be staging a final bid for maximum publicity to revive co-hosting demands, analysts said.

South Korea cannot afford to ignore overtures from Pyongyang, with the games considered a possible target for terrorist attacks. At the height of the student violence on Monday, President Roh proposed a summit meeting with the North Korean leader, Kim Il Sung.

More than 2,000 students were detained by the police on Monday after an unsuccessful effort to march to Panmunjom for talks with North Korean students.

At the Panmunjom meeting on Friday, Park Joon Kyo, a leading member of the ruling Democratic Justice Party, will head the South Korean delegation, which will include representatives of all four major political parties.

The Pyongyang delegation will be led by Chon Gum Chol, secretary-general of North Korea's Committee for the Peaceful Reunification of the Fatherland.

In Seoul, the police charged 52 students on Wednesday as leaders of the Monday violence. Officials said the students were accused of violating the national security law.

About 8,260 people, mostly students, have been taken into custody since radicals began scattered protests literature on Aug. 7 to press for unification talks with North Korean students. The students called for the talks to mark the Aug. 15 anniversary of Korea's 1945 liberation from Japan.

All but 252 of those detained were released after warnings, and only 200 of those still held are under investigation, the police say. (AP, AP)

THE REPUBLICANS IN NEW ORLEANS: Bush says Quayle will help the ticket but some skepticism remains

Conservatives and Midwesterners Applaud Selection of Indianan

By Lou Cannon
Washington Post Service
NEW ORLEANS — Vice President George Bush's surprise choice of Senator Dan Quayle of Indiana as his vice-presidential running mate has won plaudits from conservatives, younger Republicans and Midwesterners. But it was greeted skeptically by party strategists who had hoped for a better-known candidate with more obvious appeal to the working-class ethnic Democrats who voted for President Ronald Reagan.

Some Democrats expressed surprise. John Martilla, a Democratic pollster and consultant who has worked for Mr. Dukakis, said, "I don't understand the reasoning fully unless this is an approach to the conservatives. I think Benzen is a stature advantage and a substance advantage. Given the choices he had, this is a surprising choice."

enthusiastic. Asked what Mr. Quayle would do to help in California, where Mr. Bush currently trails Mr. Dukakis, the former White House political director, Edward J. Rollins, said succinctly, "Nothing."

Other Republicans who had been prominently mentioned as prospective running mates — notably Senators Bob Dole of Kansas and Pete V. Domenici of New Mexico and Representative Jack F. Kemp of New York — expressed varying degrees of disappointment.

going through the roots of everyone," he said. "Michael Dukakis is the issue."

Dukakis Questions Choice
Mr. Dukakis touted the qualifications of his running mate, Senator Lloyd Benzen of Texas, and implied that Mr. Quayle was not qualified to be president, The Associated Press reported from Minnesota.



As George Bush and his wife, Barbara, lead an enthusiastic ear, trumpeter Derrick Shezbie, 13, of the Rehirth Jazz Band, cuts loose during a rally demonstrating support for the Republican presidential candidate during the party's national convention in New Orleans.

Where the Parties Stand on Major Issues

NEW ORLEANS — The Republican National Convention, acting without debate or dissent, has approved a detailed party platform of more than 30,000 words, in contrast to the 4,500-word statement of principles issued by the Democrats in July.

Abortion

Republicans — The unborn child has a fundamental individual right to life which cannot be infringed.

Minimum Wage

Republicans — As an alternative to inflationary — and job-destroying — increases in the minimum wage, we will work to boost the incomes of the working poor through the earned income tax credit.

Child Care

Republicans — In returning to our traditional commitment to children, the Republican Party proposes to establish a toddler tax credit for preschool children as approved by Vice President Bush.

Budget, Taxes

Republicans — We oppose any attempts to increase taxes. We will reduce to 15 percent the tax rates for long-term capital gains.

South Africa

Republicans — Republicans deplore the apartheid system of South Africa and consider it morally repugnant.

Soviet Union

Republicans — Republicans are proud that it was a Republican president who extended freedom's hand and message to the Soviet Union.

Middle East

Republicans — The foundation of our policy in the Middle East has been and must remain the promotion of a stable and lasting peace, recognizing our moral and strategic relationship with Israel.

Democracy

Democrats — We believe in maintaining a stable nuclear deterrent sufficient to counter any Soviet threat, standing up to any American adversaries whenever necessary and sitting down with them whenever possible.

Democracy

Democrats — We believe that the time has come to end all vestiges of the failed policy of constructive engagement, to declare South Africa a terrorist state, to impose comprehensive sanctions upon its economy, to lead the international community in participation in these actions, and to determine a date certain by which United States corporations must leave South Africa.

Democracy

Democrats — This country, maintaining the special relationship with Israel founded upon mutually shared values and strategic interests, should provide new leadership to deliver the promise of peace and security through negotiations that has been held out to Israel and its neighbors by the Camp David accords.

Democracy

Democrats — We believe in maintaining a stable nuclear deterrent sufficient to counter any Soviet threat, standing up to any American adversaries whenever necessary and sitting down with them whenever possible, testing the intentions of the new Soviet leaders about arms control, emigration, human rights and other issues.

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America's Diversity Shines Through in Official Proceedings

By Maureen Dowd
New York Times Service
NEW ORLEANS — The scene might be, as one Republican consultant dryly put it, "a bunch of pasty-faced white guys in Brooks Brothers suits." But if you focus on official rather than unofficial proceedings, you might mistake the Republican convention for an ethnic festival or a forum on women's rights.

It was a chance for Mr. Sununu, who was born in Cuba and raised in New York, to use his Spanish and French. Mr. Dukakis, who has been using his own fluency to great advantage on the campaign trail.

A breakfast meeting Tuesday for Senator Dan Quayle of Indiana and a group of Newsweek writers and editors was breaking up when the senator got an urgent phone call — and left in a hurry. Only moments before, Mr. Quayle had remarked that his 9-year-old daughter's choice for vice president was Bob Dole.

"We did it! We did it!" chortled the normally phlegmatic Joseph Angotti, the network's vice president in charge of convention coverage. "I love it! I love it!"

The Democrats sent no formal Truth Squad to the convention, but the Reverend Jesse L. Jackson stepped into the breach. He called The New York Times from the La Costa health spa in Southern California to complain about the "gross distortions and deflections" in President Ronald Reagan's speech.

Unlike the Democrats, who used their national convention last month to ridicule the privileged upbringing of Vice President George Bush and to question his achievements, the Republicans steered clear of both the personality and record of the Democratic presidential nominee, Governor Michael S. Dukakis of Massachusetts. They focused instead on what they called his liberal philosophy.

BUSH: Fierce Vote Battle Vowed

(Continued from Page 1)
shot" to suggest that he ducked services in Vietnam by enlisting in the National Guard. "I have a deep affection for those men and women who sacrificed their lives in Vietnam and for anybody to imply anything differently is just simply wrong," he said.

Mr. Bush was asked if it was smart politics to choose a running mate so much like himself. "He's different from me," Mr. Bush said. "I'm 64 and he is 41."

children, George, 10, Noelle, 9, and Jeb, 3. Mr. Bush was asked at the news conference what he meant by the comment, especially in light of his campaign for support among Hispanics.

"Because I have heard the question raised." One of the children, George Prescott Bush, led the pledge of allegiance at the evening session of the convention Tuesday.

Ms. Kirkpatrick, who made one of the most caustic attacks on the Democrats at the Republican convention in Dallas four years ago, showed Tuesday night she has not lost her edge.

He also answered the "Where Was George?" taunt that Senator Edward M. Kennedy of Massachusetts chanted at the Democratic convention. "I'll be damned if I'll stand by and let anyone with a snarl and a sneer discredit the honor, service, accountability and competence of George Bush," said Mr. Ford, who gave a long rendition of Mr. Bush's resume.

The Schedule For Last Day

- 0001 GMT: Convention called to order by Representative Olympia J. Snowe of Maine.
0015 GMT: Tribute to Barbara Bush, wife of the vice president.
Vice Presidential Nomination
0115 GMT: Remarks and introduction of Senator Dan Quayle of Indiana by Representative Lynn M. Martin of Illinois.
0120 GMT: Acceptance speech by Mr. Quayle.
Presidential Nominee's Acceptance Speech
0145 GMT: Remarks and introduction of Vice President George Bush by Governor James R. Thompson of Illinois.
0150 GMT: Acceptance speech by Mr. Bush.

Bush Stands Up for His 'Little Brown Ones'

United Press International
NEW ORLEANS — In controlled but obvious anger, George Bush said Wednesday he was personally offended about being challenged for calling his grandchildren "the little brown ones."

Republicans Draw More
NEW YORK — Opening night of the Republican National Convention drew more viewers than the Democrats' convention on television, according to ratings released Tuesday.

Advertisement for a product or service, featuring a large image and text. The text is partially obscured but includes words like 'will work', 'and to produce', 'First app', 'Preferen', 'Experience wit', 'Fle', 'exp'.

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**CHOICE: Conservative, Young and a Midwesterner**

(Continued from Page 1)

conservative Republican from upstate New York, as a running mate for Mr. Bush, Mr. Quayle brings many of the same policy credentials without possessing the Kemp abrasiveness that supposedly irritated Mr. Bush.

As a member of the Senate Budget Committee, Mr. Quayle has been a faithful fiscal conservative, and as a senior member of the Labor and Human Resources Committee, he has voted against abortion and school busing, while supporting prayer in schools.

New Right groups have on occasion lambasted Senator Quayle for not following the lead of hard-core Senate conservatives like Jesse A. Helms of North Carolina or Gordon J. Humphrey of New Hampshire in using delaying tactics to help conservative crusades.

But Mr. Quayle has demonstrated a tenacity on the Senate floor and a willingness on some occasions to wage a fight.

A key question for the party is how Mr. Quayle would handle the plan of re-elected President Bush, hammering away at Michael S. Dukakis as an untested leader who is weak on defense, is whether Mr. Quayle can be the point man in a meat campaign.

His record suggests that, at the very least, he will give the Democrats a run for their money. In the 1980 Senate race, he torpedoed the incumbent, Senator Birch Bayh, a three-term Democrat.

In 1986, Mr. Quayle won re-election to the Senate with 61 percent of the vote, the largest margin ever achieved by an Indiana candidate in a statewide race.

Mr. Bell said Mr. Quayle won his campaigns in part because he was underestimated by his opponents. "He mixes modern, telegenic techniques with old-fashioned Hoosier campaigning," he said.

But looking at precisely those characteristics, John Brademas, a former Democratic representative from Indiana who is now president of New York University, came to a different conclusion.

"As I look at George Bush and Dan Quayle, I see two peas in a pod, separated by a generation," he said. "I know Danny Quayle; he's a perfectly pleasant young man."

In an interview in his Capitol Hill office last Thursday, Mr. Quayle suggested that he would stir up more public comment and attention than some better known possibilities and provide the Bush campaign with a more newsworthy story this week.

"I would clearly be an unconventional choice, not a typical George Bush choice," Mr. Quayle said.

He said flatly that a major factor favoring his selection was his age. "I'm the only one they're considering who was born after World War II," he said.

Mr. Quayle also contended that the vice president had a serious weakness in the Middle West.

Another major asset for Mr. Quayle in this election year, when family issues are expected to be a major factor, is his family.

Like the Bushes, the Quayle family has four generations alive. The great-grandmother, 97, lives in a home for the aged in Franklin, Indiana. The parents, who are 67 and 66, publish the newspaper in Huntington, Indiana. And Mr. Quayle's three children, aged 9 to 14, are a highly photogenic group likely to play a role in the campaign.

Mr. Quayle's maternal grandfather, Eugene Pulliam, was a controversial and outspokenly conservative newspaper publisher, owning major newspapers in Indianapolis and Phoenix, among other places.

Mr. Quayle brings at least two potential liabilities to the ticket — his fringe association with a scandal involving a female lobbyist, and the naming of one of his former aides, Robert W. Owen, in the Iran-Contra affair.

Paula Parkinson, a lobbyist who said she had had affairs with "fewer than a dozen" Republican congressmen, made headlines in 1981 when it was disclosed that she had had an affair with Representative Tom Evans of Delaware.

In 1980, Mr. Evans shared a vacation house in Florida during a golfing vacation in Florida with Miss Parkinson and two representatives, Tom Railsback of Illinois and Mr. Quayle. All three later voted against a crop insurance bill that Miss Parkinson had opposed, but

they denied that their votes had been influenced.

The two said they had been in Florida but both denied any impropriety. Mr. Evans and Mr. Railsback were defeated in 1982. Mr. Quayle was re-elected.

In an interview with The Associated Press this week, Mr. Quayle said that Mr. Bush had not asked him about the episode, although Bush aides said they knew of the incident and were satisfied that Mr. Quayle had done nothing wrong.

"That's all public record," the senator said in the interview. "I think people who know me and know my family know that there is no factual basis to what has been written. If you try to say that somehow I was implicated, that's just not true."

Mr. Quayle has not been linked to the Iran-contra scandal. In fact, he was not an unquestioning supporter of Mr. Reagan in the wake of disclosures that the United States had sold arms to Iran.

But Mr. Owen, his former aide, played a leading role in the contra, resupply network directed by Lieutenant Colonel Oliver L. North.

Mr. Owen said in a deposition before the Iran-Contra Committee on May 4, 1987, that he met Colonel North in July 1983 while he was on Mr. Quayle's staff.

James Danforth Quayle was born in Indianapolis on Feb. 4, 1947. The eldest of four children, he grew up in Arizona and in Huntington, where he graduated in 1965 from high school.

At DePauw University in Indiana he earned a bachelor's degree in political science in 1969 and went on for a law degree from Indiana University in 1974. It was there that he met his wife, Marilyn. They married 10 weeks after their first date.

**SURVEY: The Poll Puzzle**

(Continued from Page 1)

by different results: Mr. Dukakis 55 percent, Mr. Bush 40 percent.

Was there an extraordinary three-day surge to Mr. Dukakis? Jeff Alderman, the director of polling for ABC News, argues that to say this is to draw too much from the poll.

"Polling represents a fuzzy picture of what's going on," he said. "I feel very strongly that a shift occurred and we've measured it approximately."

To make matters even more confusing, a poll taken Monday, the day after ABC showed Mr. Dukakis ahead by 15 points, showed him ahead by just two points. That survey, conducted by KRC Communications-Research Inc. for the Hotline, a computerized political information service, and The New Orleans Times-Picayune, was consistent with a poll the consortium took Aug. 12-13, which showed Mr. Dukakis ahead by one point.

One difficulty is that the recent ABC surveys are "tracking polls," designed more to measure what direction the campaign is moving in than to give an exact sense of where it is. These are usually conducted over a single night, have small samples and do not give poll-takers time to call back respondents whom they have not reached.

That is why Mary Klette, director of elections and polling for NBC News, thinks it is a mistake to make public the numbers from tracking polls.

"Tracking polls are wonderful, because you can pick up a trend you can't get with other polls," she said. "But you're playing with fire, if you release them. You can get burned."

In fact, much of the shift in the ABC Poll could be explained simply by sampling error. In a survey of the size of ABC's, the numbers could be off by plus or minus 5 percentage points.

Most of the larger polls suggest, that Mr. Dukakis has a lead over Mr. Bush, although a smaller one than the 17-point advantage he had in two surveys taken shortly after the Democratic National Convention.

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**Coretta King Appears 'In Spirit' of Husband**

New York Times Service

NEW ORLEANS — Coretta Scott King, a lifelong Democrat, visited the Georgia delegation on the floor of the Republican National Convention on Tuesday night "in the spirit" of her slain husband, the Reverend Martin Luther King Jr.

She moved through the Louisiana Superdome surrounded by reporters and photographers, stopping at the Georgia delegation to shake hands and to pose for pictures with delegates. "It is important that we find an air of commonality," she said, "so we can work together to make a better world."

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ADVERTISING SECTION

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## Leipzig Fair to Focus on Integrated Technology



Siegfried Fischer, the general director of the Leipzig Fair Office, was interviewed recently and asked to give a preview of this year's autumn fair.

*The Leipzig Autumn Trade Fair from September 4 to 10 is prominently marked on the calendars of politicians, business people and engineering experts the world over. Will the fair live up to their expectations?*

Siegfried Fischer: The Leipzig fair is the German Democratic Republic's biggest foreign trade event, and enjoys a good reputation in economic and financial circles internationally. It is considered the center for East-West trade. This autumn we will be welcoming representatives of all the traditional foreign trade enterprises of the Council for Mutual Economic Assistance and other socialist countries, as well as prominent companies and businesses from highly industrialized Western countries and exporters from developing countries in Asia, Africa and Latin America. Fifty prominent banks will set up fair offices to promote trading.

As you may know, the Leipzig fair is a multidivisional fair offering a different range of products and capital goods in spring and autumn. The emphasis at the autumn fair is on the chemicals industry, processing machinery, including plants used in the textile and shoe-making industries, polygraph machines, tools, vehicles and medical technology. The consumer goods division includes leisure and sporting goods as well as teaching aids and school equipment. Yet another section of the fair is called "Knowledge, Technology and Performance," where the GDR and other countries exhibit their know-how as well as engineering and training capacities.

*How would you assess the commercial importance of the Leipzig fair? Is Leipzig worth a visit if one wants to conclude business contracts?*

GDR industry, which enjoys a good reputation among businesses and traders worldwide, showcases a range of current export items at each Leipzig fair. During the two annual fairs, GDR firms prepare, negotiate or conclude about half of the country's yearly export and import contracts. Furthermore, there is brisk trading among the foreign exhibitors themselves, especially between Western and socialist enterprises.

The presentation of high-quality, high-tech products, which to a great extent are shown for the first time in Leipzig, and the display of important new technologies are playing an increasing role in business at Leipzig.

*The presentation of high-tech innovations in Leipzig is encouraged through fair themes. What will the September fair be concentrating on this time around?*

Every other year we have a theme so that potential exhibitors and visitors will know what the technological focus is. We first introduced a theme back 1983, and the great appeal the fairs have had with domestic and foreign visitors since then seems to have proved us right.

This year's theme is Integrated Measuring, Testing and Control Technology for a Higher Level of Performance, which has already found its expression in a variety of top-quality products on display during the 1988 Spring Fair. The upcoming fair will also highlight ways of raising quality through the use of new technologies, not only in the chemical and processing industries, but also in medical technology. Incidentally, next year's theme will be Flexible Automation (Variable Application of Automated Systems).

*Great emphasis has traditionally been put on the exchange of scientific and technological knowledge as well as on the exchange of experiences by product users in Leipzig. What will the autumn fair offer in this respect?*

An extensive scientific and technological program has long been an integral part of each Leipzig fair. Exhibitors will present to users and potential users about 100 specialist lectures within the framework of the divisions mentioned.

On top of that, a two-day international symposium on ultrasonic testing will be held a couple of days before the start of the fair. We will also be holding an international colloquium on measuring and testing in the chemical industry. All these events will involve internationally acknowledged scientists and practitioners



Mr. Siegfried Fischer, general director of the Leipzig Fair Office.

and will be attended by domestic and foreign experts.

*Increased demands for services have become evident at all international fairs, including Leipzig. How have you adapted to these growing demands?*

Following exhibitors' requests to reserve exhibition space, we do our best to comply with their demands. Space is reserved for them in the appropriate fair division. The application forms contain our entire service package, from stand construction, furnishing, equipment and the provision of stand personnel to advertising and PR services.

Any queries visitors may have upon arrival in Leipzig can be dealt with at the Foreign Visitors' Center in the heart of the city (Universitätsstrasse No. 7). Also available is the fair's Information Center, with representatives of the GDR and other countries as well as a Central Service Office. A Technology Information Stand organizes guided tours and offers a variety of services for specialists.

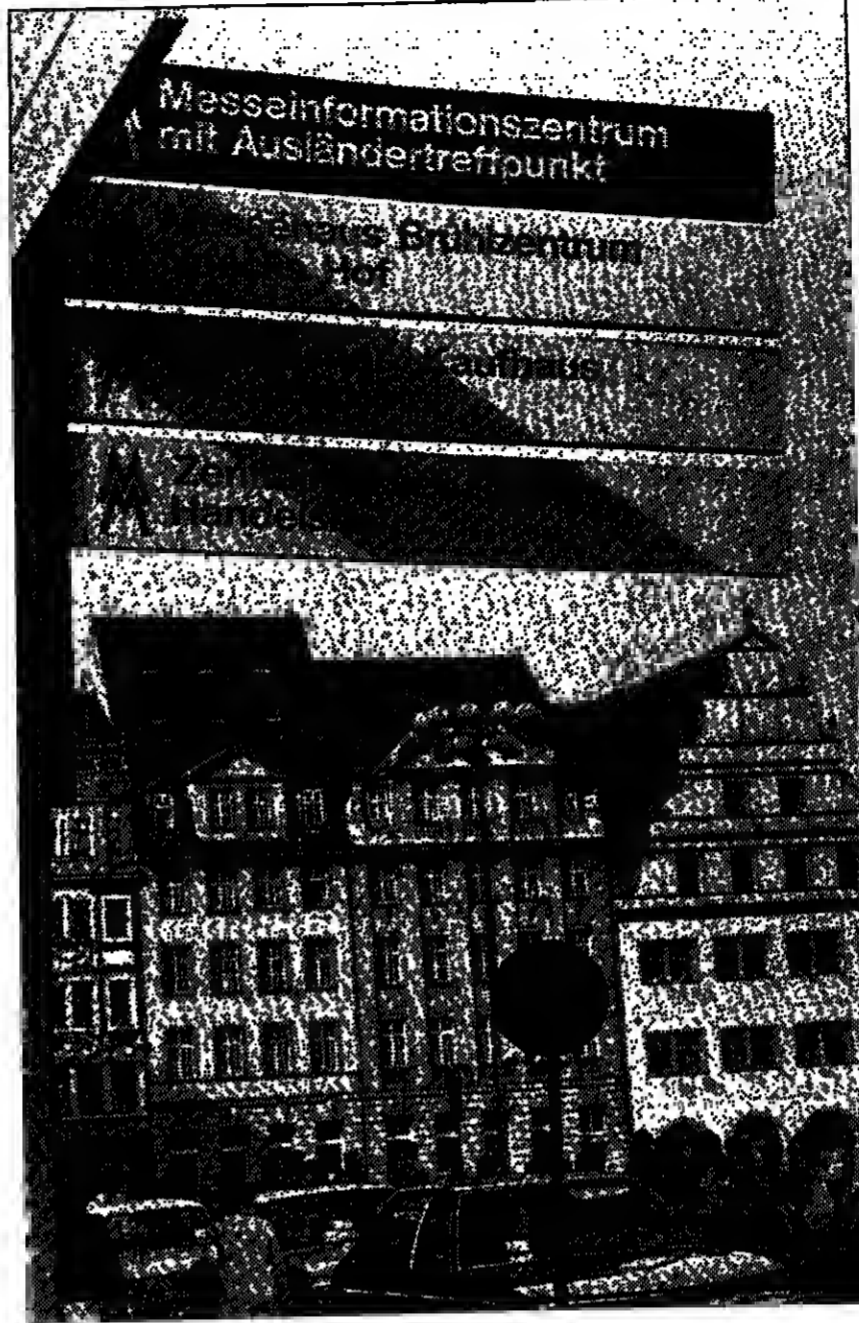
All in all, we have been steadily extending the range of services available to visitors in order to ensure that they have a pleasant stay in the city and can pursue their work successfully. In addition, there is our International Press Center, which welcomes about 2,000 accredited correspondents each year.

*Twice a year the city of Leipzig is permeated by the spirit of its eight-century-old fair. To what extent does the city participate in the fair?*

In point of fact, Leipzig has grown organically together with and through the fairs ever since 1165. The residents are committed to this tradition, and their hospitality is proverbial. They not only provide private accommodation for thousands of people during the fair, but have also made efforts to raise the level of goods and food supplies and to enrich the cultural life in the city. In the years to come we will continue to do our utmost to make our guests feel at home and to provide them with ample leisure-time facilities.

*Do you have any particular message for the visitors to the 1988 Autumn Trade Fair in Leipzig?*

When 6,000 exhibitors from all over the world and hundreds of thousands of visitors from 100 countries gather in Leipzig September 4-10, we will once again witness an important international economic event. I want to wish all participants in the fair commercial success, a fruitful exchange of experience resulting in greater knowledge, and many interesting contacts.



The historical marketplace near the service center for foreigners.

## References

Max Deprez, Cockerill Mechanical Ind., Belgium:

"It is the favorable political and trade climate prevailing at the Leipzig fair and its propitious geographical position in the heart of Europe that enable us to keep up our traditionally good trade relations with GDR firms and establish new contacts with businessmen from all over the world."

Horst Dohse, Siemens AG, Federal Republic of Germany:

"For us, the Leipzig fair is the center for promoting business with the member countries of the Council for Mutual Economic Assistance. Good economic relations consolidate mutual trust and are a solid basis for political dialogue."

Jun Ishikawa, Nakayama Co., Ltd., Japan:

"As newcomers to the fair, we didn't know what people would think of our products. Now having been here, we are sure we have found a major and important center of world trade. We would very much like to come back."

Brian J. White, The Canadian Wheat Board, Canada:

"The Leipzig fair is the only fair in the world at which we are represented. This has much to do with Leipzig being an internationally acknowledged trade center, which offers excellent opportunities to deepen relations with GDR enterprises."

Johannes Weihs, C. Augusto Egli, S.A., Spain:

"The Leipzig fair is an international meeting place, which is of great importance for us. In Leipzig, we concentrate on concluding contracts with GDR firms, and also with enterprises from other socialist countries. For me, coming to the fair also means enjoying a week full of cultural activities."

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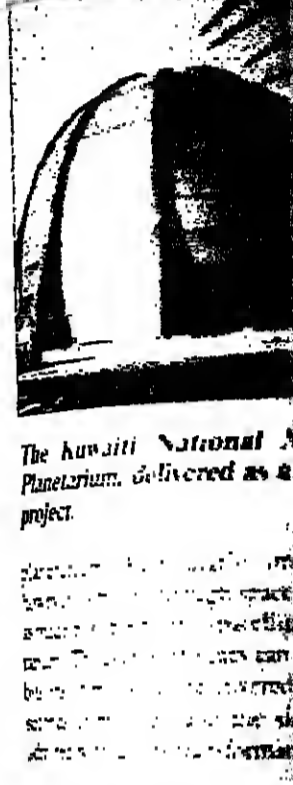
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## Centuries

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## Travels in Time and Space: Around the Universe with Jena

FOR six decades, planetariums from Carl Zeiss Jena have been the hallmark of quality. This sophisticated equipment, capable of recreating the starry sky and all its phenomena with an amazing naturalness, has helped millions of people to gain insight into the workings of the universe. It is a fascinating experience to watch as dusk fades away and the starry night sky lights up in radiant beauty and begins to move. Stars set in the west; others rise from the eastern horizon. The sun, moon and planets describe their orbits across the firmament. Comets and shooting stars light up; artificial satellites circle around the earth. A simulated trip to other regions of the earth is a chance to see wonderful phenomena such as the White Nights in Finland, the Midnight Sun in Lapland or the Polar Night in Norway. Events that are rare in nature, such as solar or lunar eclipses, can be observed daily in the

would be seen from the moon or a spacecraft.

Planetarium shows deal primarily with popular-science subjects. Jena planetariums are, however, also the preferred facilities for astronomy instruction and navigation training. In addition, the planetarium is gaining in importance as a specific audiovisual medium. Programs vary from astronomy, space travel and problems of related sciences to laser shows and concerts. As a part of science or cultural centers or other places of interest, planetariums are becoming increasingly popular the world over.

In the field of planetarium construction, Jena has held a leading position for decades. A great many of the functional solutions and innovations of the last 60 years of planetarium development have come from Jena. Kombinat VEB Carl Zeiss Jena was the first to present the planetarium projector serially with automatic program control, now based on microprocessors. The new generation of Jena large-size planetariums also features integrated microelectronic controller systems.

Generally, large-size planetariums are only practical in towns with large populations. Costs for planetarium buildings with smaller dome diameters are by far lower. This is why in 1952 the production of small-size planetariums for dome diameters of six to eight meters was started and continued parallel to the production of large-size models. For the Model ZKP 1 small-size planetarium, 250 instruments had been produced by the mid-1970s. The current advanced version, Model ZKP 2 SkyMaster, is comparable to its predecessor only in its dimensions. Not only its appearance but its demonstration capabilities are similar to those of its "big brother." Over 80 examples of this modern projector have been sold so far.

Even before man set foot on the moon, a planetarium already existed that simulated flight to the moon: the SkyMaster spaceflight planetarium from Jena. It per-



The Edmonton Space Science Center, Canada.

mits visitors to view the universe as seen from a spaceship flying to the planets, or to observe the starry sky just as astronauts do from a satellite orbiting the earth. The Jena spaceflight planetarium, first demonstrated at the Conference of the International Astronomical Union in Prague in 1967, offers all the projection options of a large-size planetarium with special spaceflight effects and, in addition, features fully automatic program control. It is a

ready contributing to the popularization of astronomy and related sciences. One of the latest Jena large-size Cosmorama planetaria opened its doors in 1984 to visitors in Edmonton, Canada, where the Space Sciences Center has the first model of this new generation of Jena-made large-size planetariums combined with an IMAX film theater. This new science center has proved to be one of the most modern and fascinating planetarium installations in the world.

The services of Jena are, however, not restricted to the supply of equipment alone. As a general contractor, it can also handle complete construction of planetariums. A typical example of this kind of turnkey project is the planetarium in Tripoli, commissioned in 1981. In the construction of the planetarium in Wolfsburg, West Germany, several companies shared their know-how and special services.

It is estimated that 400 planetariums in 50 countries are visited by over 20 million people every year. This is considered high appreciation of the work done by the designers, engineers and workers of Carl Zeiss Jena, who are inspired to further upgrade their equipment. It is also an acknowledgment and appreciation of the Jena planetarium concept, which is based on more than 60 years' experience.

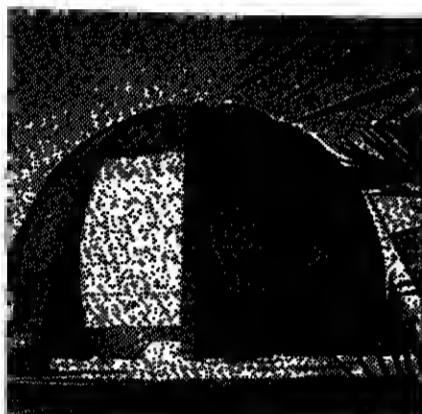
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## Billions of miles can be covered in a few seconds

welcome alternative for cities and institutions with smaller budgets.

The continued efforts of Jena planetarium designers toward achieving new scientific and technological innovation are evidenced in the youngest child of the spaceflight planetarium family, Model RFP-DP 2. Integrated micro-electronics offers a number of advantages. Computer control simplifies operation and allows a great variety of demonstration possibilities.

Now as before, there is considerable interest in building science centers in which a large-size planetarium is the main attraction. The dissemination of popular-science knowledge in both an intelligible and entertaining form is gaining in importance. Planetarium institutions are al-



The Kuwait National Museum Planetarium, delivered as a turnkey project.

planetarium. Particularly impressive, however, is travel through space and time as made possible by the spaceflight planetarium. Thousands of years can pass and billions of miles can be covered in a few seconds or minutes, and the sky can be admired with all its transformations as it

## Performance, Design and Decoration of Suhl Hunting Guns

FOR hunters all over the world, Suhl-made guns enjoy an extraordinary reputation. Suhl's talented gunsmiths and engravers fashion from a few pounds of metal and wood true works of art. The quality and precision of these weapons guarantee perfect accuracy even after 20,000 shots.

tion, hunting guns from Suhl are considered very precious.

Suhl is perhaps best known for its triple-barreled rifles. The first ever to be manufactured was made by a Suhl gunsmith in the 19th century, and since then over two-thirds of the world's production has come from this one town. With their careful construction, fine workmanship and original design, they are tailor-made to meet the most personalized hunting needs. With two barrels for small game and one for larger game, these combination guns are ideal for the mixed hunting so often encountered in Northern and Central Europe. Outstanding qualities of Suhl triple-barreled rifles are their excellent balance, perfect accuracy, ease of handling and optimum safety features.

Hunting guns have been made in Suhl, a country seat in southwest East Germany, for 450 years. They are as famous for their precision as they are for their elegant design and rich decoration. Filigree engraving, richly carved and inlaid stocks, and universal barrel combinations are the hallmarks of these superbly crafted guns.

The range of drop-barrel guns is unique in the world. It includes double shotguns, versatile over-and-under shotguns and universal triple-barreled rifles. The more than 60 basic models allow for several thousand variations to satisfy every hunting need. Because they are made to measure to every imaginable specifica-

Hunting Guns Exported by Transportmaschinen Export-Import Exportkontor Suhl Jagdweifen GDR-6000 Suhl Wilhelm-Ploek-Str.16, Telex: 62233.



The 95k triple-barreled shotgun, a novelty from Suhl.

## Centuries of Good Reading: The Leipzig Book Fair

AS early as the 15th century — before the first books were printed — the city of Leipzig was becoming an important center of European trade. The trade in manuscripts, facilitated by university life, developed rapidly, and eventually the trade in books became established there as well. Thus the book fair grew up under the arcades of the old Town Hall, in the stalls and yards around the marketplace.

By 1594 the fair had become so big that a book trader by the name of Henning Grosse decided to bring out a trade catalogue. In the second half of the 18th century, when German literature was flourishing, one of the leading publishers of that epoch, Philipp Erasmus Reich, declared Leipzig to be "the capital of the German book trade."

During the 18th and 19th centuries, numerous publishing houses emerged in Leipzig, which still contribute to the city's international reputation as a book center today. By 1910 some 10,000 people were employed in the city's publishing

industry. Some 7,000 firms were supplied with books from Leipzig. Unfortunately, fascism and war destroyed a great deal of this historic book trade.

Now Leipzig has regained its worldwide reputation as a city of books. It is the hub of the German Democratic Republic's book trade and a center for the export and import of printed material. Over half of the GDR's 78 book publishing houses are located in Leipzig. Traditionally, its focus has been on literature relating to the natural sciences and technology, on encyclopedias and other reference books. In belles lettres, its emphasis has been on literary heritage. As a city of music too, Leipzig boasts most of the country's music publishing houses. In addition, the city's scientific and specialist publishing houses bring out some 100 periodicals. This means that a fifth of all GDR periodicals are published in Leipzig.

Since 1953, the foreign trade publication firm Buchexport Leipzig has been steadily increasing business contacts throughout the world, and now has links



Interest is keen in the editions of the renowned publishing house for art and science.

with partners in 100 countries. Buchexport enables publishing house and book traders in other countries to choose from some 16,000 titles available, among them 6,500 first and second printings annually. It also handles orders of periodicals, music items, reproductions, globes and maps as

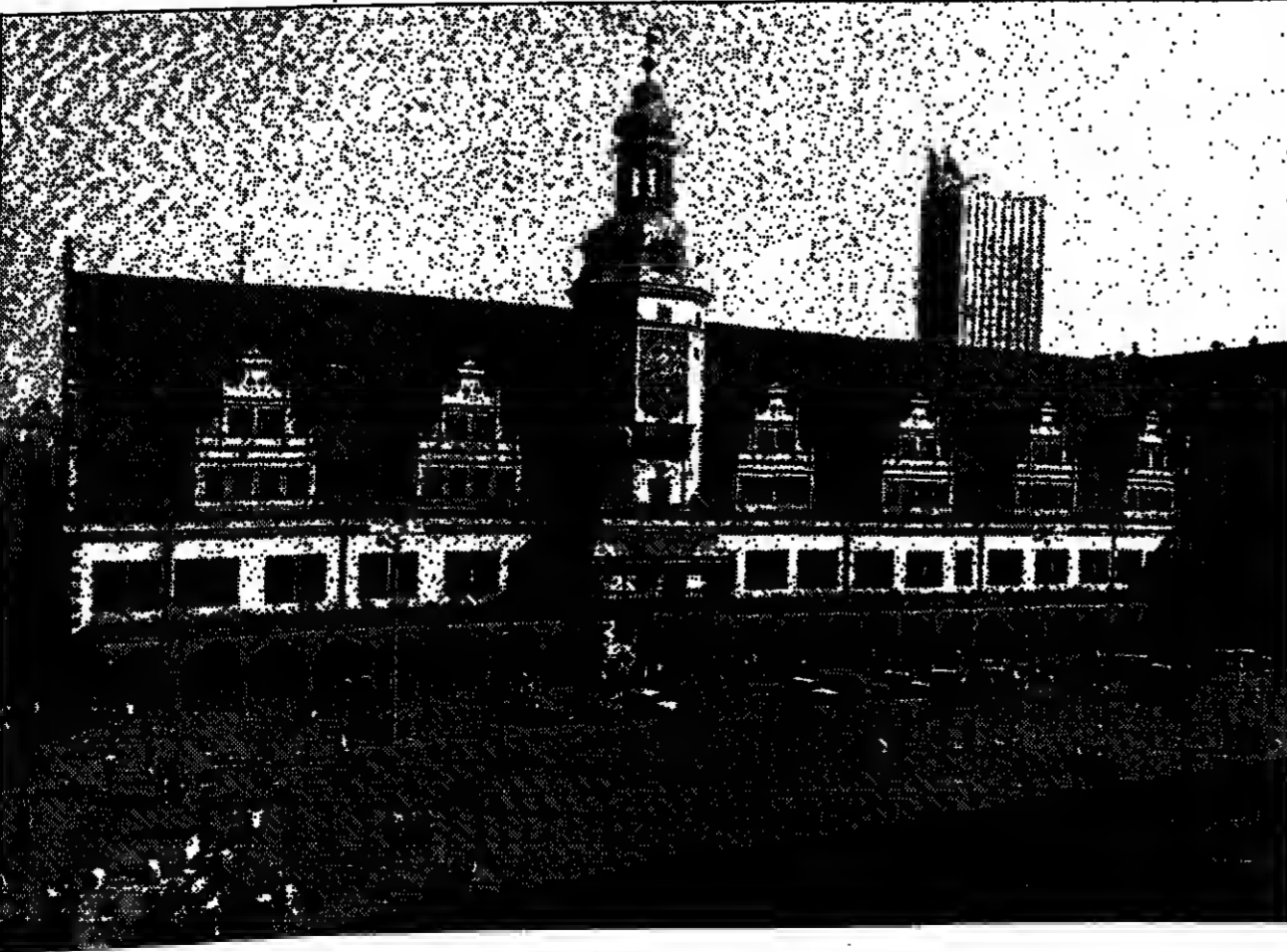
well as antiquarian literature, and deals with the export and import of editions and co-editions commissioned by foreign countries. Every year Buchexport is represented at important international book fairs abroad.

The international Leipzig book fair, the oldest of its kind in the world, provides extensive information about book production in East Germany. It is an important meeting place for publishers and book traders from all over the world. In the Messehaus am Markt building, more than 1,000 domestic and foreign publishers provide information about their current programs.

As a city of books, Leipzig is home to several libraries, including the world-famous German Library, founded in 1912. Leipzig also has printing plants, polygraphical engineering firms and education centers for all book-related trades and professions.

Building on the success of the first international book exhibition in 1927, special exhibitions have been held regularly in the city ever since, under the well-known initials "iba." These exhibitions are world galleries of beautiful books, featuring displays of many handsomely designed volumes.

Books Exported by Buchexport Leninstr. 16 GDR-7010 Leipzig Telex: 51678.



The book fair grew up under the arcades of the old Town Hall.

## LEIPZIG FAIR

German Democratic Republic



Sept. 4-10, 1988  
March 12-18, 1989

Fair cards and information may be obtained from agencies and representatives of the Leipziger Messeamt in 90 countries and at all points of entry to the GDR.

Further information from Leipziger Messeamt, GDR-7010 Leipzig, Postfach 720. Tel: 71810, Telex: 512294.

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Comfort, Services, Hospitality, in the heart of Europe

As the leading hotel chain in the German Democratic Republic we offer tourists and business travelers alike all the prerequisites for a pleasant stay.

\* We accept your reservations and reply for the necessary visa at your request.

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\* We have our own car hire system, RENT A CAR, which is linked with Hertz, AVIS and Europcar.

\* We organize conventions, seminars, conferences and working dinners in elegant salons.

\* We book theater and concert tickets and offer interesting tourist programs.

\* We arrange further travel inside and outside the GDR through the reservation systems of Golden Tulip World Wide and Supranational Hotel Reservations.

Please contact:

■ INTERHOTEL DDR INTERNATIONAL SALES

Friedrichstraße 150-153 GDR-1080 Berlin Tel: 2204 207/327. Tx: 114143.

or one of the following five-star hotels:

GRAND HOTEL Friedrichstraße 158-162 GDR-1080 Berlin Tel: 209 20 Tx: 115197.

PALASTHOTEL Karl-Liebknecht-Str. GDR-1020 Berlin Tel: 24 10. Tx: 115050.

Hotel METROPOL Friedrichstraße 150-153 GDR-1080 Berlin. Tel: 220 40. Tx: 114141.

Hotel MERKUR Gerberstraße GDR-7010 Leipzig. Tel: 79 90. Tx: 512609.

Hotel BELLEVUE Köpckestraße GDR-8060 Dresden. Tel: 566 27 42. Tx: 26271.

SCIENCE

Sleep Explorations Capturing Dreams

By Sandra Blakeslee
New York Times Service
LOS ANGELES — While researchers still disagree about the function of dreams, whether they are central or peripheral to our well-being, proponents of modern dream research say that they have discovered ways to explore mind and body relationships, to assist people in psychotherapy and to promote creative problem solving.

dreams," he said, while instruments prove that the dreamers remain physiologically asleep. After a lucid dream is over, scientists awaken the dreamer and compare their observations with what the dreamer has experienced.
Most people have had at least one lucid dream in their lifetime, Dr. LaBerge said, even if it is only an awareness of dreaming that comes at the end of a particularly realistic and frightening nightmare. And he said most people, if motivated, can be trained to have lucid dreams. "For the first time in history we have been able to receive on-the-scene reports from the dream world as dream events happen or seem to happen," Dr. LaBerge said.



A research subject wears goggles that sense eye movements, which suggest he is dreaming.

goggles, called dream lights, that sense when REM sleep begins and flash red lights into the eyes of the dreamers to jog their conscious minds awake within the dream.
Clinical psychologists have begun using lucid dreams, Dr. LaBerge said, to help people who suffer from chronic nightmares create new endings for their dreams. "Lucid dreaming has considerable potential for promoting personal growth and self-development, enhancing self-confidence, improving mental and physical health, facilitating creative problem solving and helping you to progress on the path to self-mastery," he said.

Using computer techniques, other researchers have found physiological differences between people who tend to remember their dreams and those who do not. People who have high recall remember four or more dreams a week, said Dr. Roseanne Armitage, a researcher at the University of Ottawa. Low recallers remember no more than one dream a week or perhaps just one a month. She said that dream recall is more common in nonindustrial cultures, where it is seen as important to everyday life.
Only 10 percent of the population is adept at recalling dreams, she said. "We are not a nation of dream recallers because in our culture dreaming is not seen as having a function or purpose."

Research Trove In Kew Debris

By Terry Trucco
New York Times Service

LONDON — The hurricane that ripped across southern England last October devastated the Royal Botanic Gardens at Kew, the 300-acre (120-hectare) repository of plants and trees from throughout the world. Nearly 1,000 trees, almost 10 percent of the collection, were severely battered or destroyed.
Members of Kew's staff call Oct. 16 the worst day in the 229-year history of the gardens. The damage took nearly six months to clear and assess. But now scientists realize that in the debris was a bonanza of research material that should prove valuable for those working to protect the environment far beyond the borders of Kew.

the worst time of year for conventional propagation from cuttings.
Material from the collection's most important trees was divided into two groups. One large set of twigs and other material was placed in cold storage for the winter, then grafted onto stalks in April. The successful grafts will remain in Kew's nursery at least until next spring before being planted, said Charles Eskinie, assistant curator of the Kew arboretum.
The second group of cuttings came from the 15 rarest casualties. They went to Kew's micropropagation unit, which specializes in tissue cultures. There the twigs were placed in forcing solutions to sprout, effort to induce them to sprout shoots out of season.

Psychologists Find Evidence Man Has Dual Memory Banks

By Boyce Rensberger
Washington Post Service
TWO British psychologists have discovered evidence that the brain has at least two separate memory systems, one storing information that can be recalled only upon seeing a given object, the other able to retrieve its data only when the name of the object is heard.

The discovery emerged from experiments with a 63-year-old man who sustained an unusual form of brain damage of unknown cause. The damage, confined to a small region of his left temporal lobe, appears to have knocked out his ability to remember the meaning of names of objects spoken to him. Shown a picture of the object, however, his memory is normal.

picture, he said, "Dolphin lives in water. . . They are trained to jump up and come out. . . In America during the war years, they started to get this particular animal to go through to look into ships."
Moreover, tests indicate his deficit is especially bad when the heard word is the name of a living thing. The researchers say this hints at a specialized memory system devoted to information about animals and plants.

language and comprehension of the spoken word. A detailed examination turned up nothing abnormal except a small area of tissue destruction in the brain that could be detected only by using a relatively new form of brain-scanning equipment.
The researchers who studied T.O.B. and made their report in Nature were Rossella A. McCarthy and E.K. Warrington, both of the National Hospital for Nervous Diseases in London. They said various tests persuaded them to discount the possibility that there was only one memory system and that the damaged area involved only a link between it and the hearing centers.

Table: NYSE Most Actives. Columns: Vol, High, Low, Last, Chg. Lists various stocks like PhilaEP, NYMEX, etc.

Table: Market Sales. Columns: NYSE 4 a.m. volume, NYSE prev. close, etc. Total volume: 169,500,000.

Table: NYSE Index. Columns: Composite, High, Low, Close, Chg. Composite: 148.13, 147.11, 147.64, +0.53.

Table: AMEX Diary. Columns: Close, Prev. Advanced, Declined, etc. Total issues: 2,275.

Table: NASDAQ Index. Columns: Close, Chg, Prev. Composite: 2,275.

Table: AMEX Most Actives. Columns: Vol, High, Low, Last, Chg. Lists stocks like B&W, etc.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Table: Dow Jones Bond Averages. Columns: Bonds, Utilities, Industrials. Values: 88.05, 87.89, 87.89.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

NYSE Mixed in Dull Trading

NEW YORK — Stock prices closed mixed Wednesday on the New York Stock Exchange, after a period of consolidation, as investors retreated to the sidelines to consolidate gains scored in the previous session.
The Dow Jones industrial average, which rose 17.24 points on Tuesday, managed a gain of 4.45 to close at 2,025.96.

Table: NYSE Mixed in Dull Trading. Columns: Div, Yld, PE, etc. Lists various stocks like Bell, etc.

Table: NASDAQ Diary. Columns: Close, Prev. Lists various stocks like Amgen, etc.

Table: AMEX Stock Index. Columns: High, Low, Close, Chg. Values: 29.72, 29.52, 29.63, -0.14.

Vertical sidebar with various advertisements including 'FROM 1875...', 'INTERNATIONAL EC Businesses To Help Bring', 'CURRENCY', 'Interest', and 'Money Rates'.

FROM 1875... REW THURSDAY, AUGUST 18, 1988

INTERNATIONAL MANAGER

EC Businesses Are Urged To Help Bring Up Babies

By SHERRY BUCHANAN International Herald Tribune LONDON — Bringing up baby in the European Community has long been the responsibility of parents and governments.

An EC report comparing the availability of nurseries in different countries said that governments should encourage corporations, through incentives, to help fund kindergartens for their employees and the community's offspring up to the age of 5.

An EC report says firms should be encouraged by tax and other incentives

According to the report, Greece, the Netherlands and Portugal are the three EC countries where employers are the most active in caring for toddlers.

"In some companies, the comité d'entreprise is now taking an interest in providing child-care benefits to employees and, for the first time, the French government recognizes companies have a legitimate role in providing child-care allowances to their employees."

See CARE, Page 13

EC Wins An End to Irish Bid

U.K. Group Drops Offer for Distiller

BRUSSELS — The British consortium GC&C Brands Ltd. has agreed to drop a joint bid for Irish Distillers PLC after a landmark intervention by the European Commission.

The commission wrote to GC&C, a consortium owned by Guinness PLC, Grand Metropolitan PLC and Allied-Lyons PLC, complaining about how it was conducting the bid.

The commission spokesman added that after the original bid lapsed on Friday, Guinness and Allied-Lyons, or any other firm, will have 28 days to make individual counterbids for Irish Distillers.

Japan-France Wine Deal

The Takashimaya Group, a chain of department stores in Japan, has agreed to acquire a one-third interest in Société Leroy, a Burgundy wine wholesaler and shipper that has exclusive rights to the distribution of Romée-Conti, the most famous of all red Burgundy wines.

Gulf's Reconstruction Rush Is On

Foreigners Seek Slices of Likely \$30 Billion Pie

By Steve Lohr New York Times Service LONDON — In the wake of the cease-fire announcement in the Iran-Iraq war, foreign delegations have been descending on the capitals of the two Gulf nations to put diplomatic relations on a closer footing and to promote economic interests.

In recent days, missions representing Italy, Britain, West Germany, Japan and Australia have been in Tehran or Baghdad. The cease-fire is to begin Saturday.

The rush for reconstruction work by legions of latter-day carpetbaggers is but one of the economic dividends some analysts said they saw in the end of the eight-year war.

Both regimes have to walk a tightrope, said Don Kerr, an analyst for the International Institute for Strategic Studies in London.

Soaring Dollar Ignores Sales by Central Banks

NEW YORK — The dollar closed sharply higher Wednesday, despite intervention by the central banks of the United States and West Germany.

The U.S. currency, powered mainly by expectations that strong economic growth in the United States would result in further increases in interest rates, extended the dramatic reversal seen Tuesday, dealers said.

The dollar rose to 1.91 Deutsche marks at the close in New York, from 1.8895 DM at Tuesday's close, after shrugging off the effects of intervention to burst through 1.90 in London, where it closed at 1.9090.

Intervention by the Federal Reserve System — at levels up to 1.9160 DM — and the Bundesbank "slowed the dollar but did not stem its rise," said Kathy Jones, a currency analyst at Prudential-Bache Securities Inc. in Chicago.

GATT Warns Imbalances Are Harming Trade

GENEVA — U.S. trade imbalances with West Germany and Japan are harming global commercial relations and stirring protectionist sentiment, GATT's director-general, Arthur Dunkel, said Wednesday.

Reporting on the 1987 work of the General Agreement on Tariffs and Trade, Mr. Dunkel said GATT estimated world trade would grow by 5 percent this year, as in 1987.

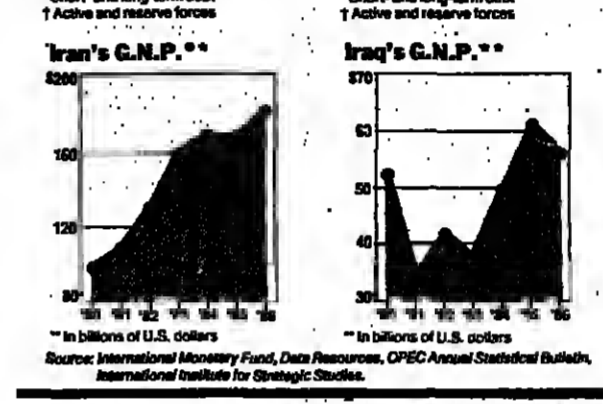
But, he said, trade imbalances "relating to Japan, the United States and the Federal Republic of Germany led to intense protectionist pressures in the United States and elsewhere, and helped to feed exchange rate instabilities and other market uncertainties."



The oil rig Sea Island on fire in Kuwait in 1987 after being struck by a missile believed to have been launched from Iranian-held territory.

Wartime Economies

Table comparing Iran and Iraq economies: Iran (Pop. 45.0 million, G.N.P. \$4,000, Current Account -\$1.7 billion, Total Debt \$4.1 billion, Interest Payments \$249 million, Armed Forces 1 million) vs Iraq (Pop. 16.4 million, G.N.P. \$3,400, Current Account -\$3.8 billion, Total Debt \$12.9 billion, Interest Payments \$826 million, Armed Forces 1.5 million).



Source: International Monetary Fund, Data Resources, OPEC Annual Statistical Bulletin, International Institute for Strategic Studies.

signed and ratified by both sides could take months or even years. In addition, both governments face the challenge of demobilizing their huge armies and reorienting their economies to peace-time without causing large-scale unemployment or political upheaval.

wealthy investors and urged them to buy shares of the recommended penny stocks. Investigators said the investment firms, which had offices in a half-dozen European countries, each would go out of business, shut its office and then establish a new fly-by-night investment firm in another city.

French police moved to stop the scheme in a dawn raid on July 27, when they arrested Thomas F. Quinn, a former Wall Street broker who has repeatedly been cited for violating American securities laws, at a villa outside Cannes on the French Riviera.

"This problems with the commission span a number of years, going back to the late 1960s," said Charles Larson, an SEC spokesman. In 1970, Mr. Quinn spent six months in jail for stock manipulation. In 1987, without admitting guilt, he settled a case in which the SEC accused him and several partners of using false information in a 1980 stock offering of a minuscule mining company, Sundance Gold Mining & Exploration Inc.

ELYSEES COURT TERME Luxembourg, 317, rue Notre-Dame R.C. Luxembourg B 25863

Fund Managers Say Fed Mistimed Rate Increase

By Anise C. Wallace New York Times Service NEW YORK — The timing of the Federal Reserve Board's increase in the discount rate last week has made many fund managers nervous about the leadership of the U.S. central bank.

Coming just hours before the Treasury opened bids on refunding \$22 billion in debt, the rise of a half-percentage point, to 6.5 percent, in the key interest rate seemed to indicate to these investors that the Fed's chairman, Alan Greenspan, had either acted in haste or was merely insensitive to market reaction.

"I think he's handling the whole situation abominably," said Seth M. Gluckhaus, senior partner of Gluckhaus & Co., which invests \$1.9 billion.

DP America Growth Fund 13-8-1988 U.S. \$21.96

Currency Rates

Table of currency rates for various countries including Australia, Canada, Hong Kong, etc.

Other Dollar Values

Table of other dollar values for currencies like Argentine, Australian, etc.

Interest Rates

Table of interest rates for Eurocurrency deposits and forward rates.

Asian Dollar Deposits

Table of Asian dollar deposits for various banks.

U.S. Money Market Funds

Table of U.S. money market funds including Merrill Lynch Ready Assets, etc.

Europeans Seek U.S. Aid in Stock Swindle Inquiry

By Steven Greenhouse New York Times Service PARIS — An inquiry into a major European stock swindle intensified Wednesday as Swiss authorities asked U.S. officials to furnish information about several overseas companies that European authorities are investigating in connection with the multimillion dollar scheme.

Laurent Kasper-Ansermet, a prosecuting magistrate in Geneva, said he had sent an official letter to the U.S. Securities and Exchange Commission on Wednesday asking it to investigate between 10 and 15 American companies.

U.S. Approves Minoxidil, Upjohn Antibaldness Drug

DETROIT — The U.S. Food and Drug Administration announced Wednesday that it had approved minoxidil, Upjohn Co.'s antibaldness drug, for sale in the United States.

Minoxidil, known by the trade name Rogaine, has been found effective for treating hair loss on the crown of the head during several years of research. Rogaine is already marketed in 45 countries outside the United States; there is no antibaldness drug on the U.S. market.

Upjohn said the antibaldness medication should be available in U.S. pharmacies within the next four to six weeks, but that the price had not yet been determined.

ELYSEES MONETAIRE SICA Luxembourg, 37, rue Notre-Dame R.C. Luxembourg B 25791

# Wednesdays NYSE Closing

Tables include the nationwide prices as to the closing on Wall Street and do not reflect late trades elsewhere.

12 Month High Low Stock Div. Yld. PE 52 58 High Low Class. Cust. Crpt.

(Continued)

21	124	114	36	86	4	43	116	111	4	11	11
22	114	111	25	52	6	44	114	111	1	11	11
23	114	111	25	52	6	44	114	111	1	11	11
24	114	111	25	52	6	44	114	111	1	11	11
25	114	111	25	52	6	44	114	111	1	11	11

26	114	111	25	52	6	44	114	111	1	11	11
27	114	111	25	52	6	44	114	111	1	11	11
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29	114	111	25	52	6	44	114	111	1	11	11
30	114	111	25	52	6	44	114	111	1	11	11

31	114	111	25	52	6	44	114	111	1	11	11
32	114	111	25	52	6	44	114	111	1	11	11
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31	114	111	25	52	6	44	114	111	1	11	11
32	114	111	25	52	6	44	114	111	1	11	11
33	114	111	25	52	6	44	114	111	1	11	11
34	114	111	25	52	6	44	114	111	1	11	11
35	114	111	25	52	6	44	114	111	1	11	11

## Argentine Airline Chief Resigns to Protest Sale

United Press International

BUENOS AIRES — The president of Aerolineas Argentinas resigned Wednesday to protest the proposed sale of 40 percent of the stock in the state-run carrier to Scandinavian Airlines Systems.

In a second round of dissent with the SAS proposal, a rival consortium composed of Swiss, Alitalia and Argentine investors announced they were willing to purchase as much as 100 percent of the stock in Aerolineas Argentinas and outbid the Scandinavian company.

Horacio Domingorena, who initially accepted the SAS purchase in principle, resigned as president of the Argentine carrier on Wednesday in protest.

Mr. Domingorena, a 68-year-old lawyer, had in recent days criticized the deal with SAS as an "assault on national patrimony" and should have been open to competitive bidding.

SAS offered \$204 million for 40 percent of the stock in Aerolineas Argentinas. It would build a first-class hotel in Buenos Aires as part of the deal. Argentina's congress must approve the deal before it takes effect. The proposal has been endorsed by the public works minister, Rodolfo Terragno, who has jurisdiction over state enterprises.

Enrique Pascaroni, an Argentine industrialist and vice president of Austral Airlines, said he is leading a consortium of Argentine investors, Alitalia and Swissair that can "beat the SAS offer."

He said his investment group combined "the efficiency of the Swiss with the imagination of the Italians" and was willing to purchase 100 percent of Aerolineas Argentinas, with the two foreign companies keeping 45 percent of the stock while Argentine investors, possibly in combination with the Argentine government, keeping 55 percent.

Furthermore, he said, his investment group proposed that a law now assigning Aerolineas Argentinas 50 percent of the domestic flights be repealed to provide more competition.

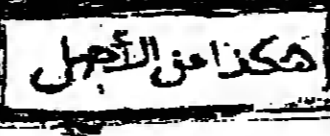
"They should have had a bid instead of negotiating with a single partner," Mr. Pascaroni said. "Argentina is the only country in the world that has conducted a deal of this type without a bid."

He said 40 percent of Argentina's international travel is directed at Italy.

U.S. Futures  
Grains  
Livestock  
Currency Options  
Paris Commodities  
S&P 100 Index Options  
U.S. Treasuries



# The Global Newspaper.



U.S. Futures

Via The Associated Press

Aug. 17

Grains

Table with columns for High, Low, Open, High, Low, Close, Chg. for various grain futures.

SOYBEANS (CBOT)

Table with columns for High, Low, Open, High, Low, Close, Chg. for soybean futures.

Livestock

Table with columns for High, Low, Open, High, Low, Close, Chg. for livestock futures.

Currency Options

Aug. 17

Table with columns for Underlying, Strike, Call, Put, Price-Last for various currency options.

Table with columns for High, Low, Open, High, Low, Close, Chg. for various futures.

Food

Table with columns for High, Low, Open, High, Low, Close, Chg. for food futures.

Metals

Table with columns for High, Low, Open, High, Low, Close, Chg. for metal futures.

Industrials

Table with columns for High, Low, Open, High, Low, Close, Chg. for industrial futures.

Stock Indexes

Table with columns for High, Low, Open, High, Low, Close, Chg. for stock indexes.

Commodity Indexes

Table with columns for High, Low, Open, High, Low, Close, Chg. for commodity indexes.

Table with columns for High, Low, Open, High, Low, Close, Chg. for various futures.

Financial

Table with columns for High, Low, Open, High, Low, Close, Chg. for financial futures.

DM Futures Options

Table with columns for High, Low, Open, High, Low, Close, Chg. for DM futures options.

Spot Commodities

Table with columns for High, Low, Open, High, Low, Close, Chg. for spot commodities.

London Commodities

Table with columns for High, Low, Open, High, Low, Close, Chg. for London commodities.

Paris Commodities

Table with columns for High, Low, Open, High, Low, Close, Chg. for Paris commodities.

BUSINESS ROUNDUP

Standard Chartered Reports Profit

Pretax Income of £156 Million in Half Exceeds Estimates

Standard Chartered PLC, the British banking company, reported Wednesday a pretax profit of £156 million (\$268 million) for the six months ended June 30, but reiterated doubts about the timing of a rights issue needed to raise capital.

BASF's Profit Surged by 18% In First Half

LUDWIGSHAFEN, West Germany — BASF AG's group pretax profit surged 18.2 percent in the first half of 1988, the chemicals company said Wednesday, predicting that positive results would continue.

Smith-Bertelsmann Deal Is Restructured

LONDON — W.H. Smith Group PLC, the British book and stationery retailer, announced Wednesday an agreement to sell its 50 percent stake in Book Club Associates to Bertelsmann AG, the West German media giant, in a deal that overcomes official objections to the disposal.

Tandy 'on Target' for 30% Rise in Income

NEW YORK — Tandy Corp. is "absolutely on target" with Wall Street forecasts it will report earnings growth of more than 30 percent for the fiscal year that ended June 30, its chairman said Wednesday.

Bergen Bank To Lift Capital By \$44 Million

OSLO — Bergen Bank A/S, Norway's third-largest bank, said Wednesday that it would make a one-for-five rights issue that would increase its share capital by 30.7 million kroner (\$44 million) to a total of 1.75 billion kroner.

Mannesmann Sales Grow

DUSSELDORF — Mannesmann AG, the steel and engineering company, said Wednesday that its sales rose 42 percent in the first half of 1988, compared with the first six months of last year, and said its profit situation was improving.

CARE: Incentives Urged

He said "the dollar valuation is going to further fuel our exports in the year ahead. We are able to displace more and more imports."

WAR: Reconstruction Rush Is On

(Continued from first finance page) about any sudden huge increase in Gulf trade," said Kenneth Mackinley, a Dubai shipping agent. "We're talking about a long-term trend."

Statoil's Profit Falls by 33%

AGENCE FRANCE-Presse — Stavanger, Norway — Statoil, Norway's state-owned energy group, said Wednesday that profit, but by lower oil prices, had dropped 33 percent in the first half of 1988, to 2.8 billion kroner (\$408.2 million).

Company Results

Table listing company results with columns for Company, Revenue, Profit, and other financial metrics.

The finest hotels in the world offer

Advertisement for CNN International featuring a logo and text: "24 Hour Global Television News to their guests. 'Ask for it at your hotel!'"

S&P 100 Index Options

Table with columns for Underlying, Strike, Call, Put, Price-Last for S&P 100 index options.

London Metals

Table with columns for High, Low, Open, High, Low, Close, Chg. for London metals.

Dividends

Table with columns for Company, Dividend, Ex-Dividend Date, and other details.

DM Futures Options

Table with columns for High, Low, Open, High, Low, Close, Chg. for DM futures options.

Spot Commodities

Table with columns for High, Low, Open, High, Low, Close, Chg. for spot commodities.

London Commodities

Table with columns for High, Low, Open, High, Low, Close, Chg. for London commodities.

Paris Commodities

Table with columns for High, Low, Open, High, Low, Close, Chg. for Paris commodities.

U.S. Treasuries

Table with columns for Bid, Offer, Yield, Term for various U.S. Treasury securities.

Wednesdays AMEX Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Table with columns: 12 Month High, Low, Stock, Div. Yld. PE, 52 High, Low, Close, Change. Lists various stocks like ABA, ABAQ, ABAI, etc.

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INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) August 17, 1988

Large table listing various international funds with columns for fund name, share price, and other details. Includes sections for AMEX, NYSE, Floating-Rate Notes, Pounds Sterling, Deutsche Marks, and Japanese Yen.

AB - Australian Dollars; BFL - Belgium Francs; C - Canadian Dollars; DM - Deutsche Mark; ECU - European Currency Unit; FF - French Francs; FL - Dutch Florin; Lf - Italian Lira; L.S. - London Sterling; P - Pound Sterling; S - Swiss Franc; Y - Yen; etc.

Vertical advertisements on the right margin including 'DOLLAR: Official', 'GREENSPAN', 'Wednesdays OTC Prices', and 'Carnival to Buy Gotaas Units'.

CURRENCY MARKETS

DOLLAR: Official Sales Fail to Snuff Currency's Rise

(Continued from first finance page) Dealers said the possibility of higher U.S. interest rates in coming months seemed to outweigh the U.S. June trade gap of \$12.54 billion and a record import bill of \$39.5 billion.

Table with 2 columns: Currency, Rate. Includes Deutsche mark, French franc, Swiss franc, British pound.

If the dollar's advance persists, economists said, it could seriously undermine a three-year campaign by the Group of Seven to help reduce the U.S. trade deficit, which is still large and contributing to a high current-account deficit.

London Dollar Rates

He was referring to the Group of Seven industrialized countries. The dollar last week hit a 19-month high above 1.92 DM, but subsequently eased on worries that it may be overvalued against other currencies.

U.S. Reports Housing Starts Gained in July

(The Associated Press) WASHINGTON — Housing construction climbed 2.4 percent in the United States in July, but building permits for future construction fell at the sharpest rate since January, the government said Wednesday.

GERMANY: Bankers' Unique Role Coming Under Mounting Scrutiny

(Continued from Page 1) helm Christians, a former spokesman for Deutsche Bank's managing board, has said that bankers sitting on corporate boards are first and foremost responsible to the company, not the bank.

concern, and usually run by financiers brought up on German banking's conservative traditions. "Going to the banks for venture capital was useless," said the head of a small software company in Baden-Württemberg, one of West Germany's high-tech hotbeds.

regulation from Chancellor Kohl's government: that they wanted," Mr. Schatz said. "There are many other interest groups — labor unions, farmers, civil servants — with great influence in the economy. What the government has done, such as the postal reform, is so limited that it can't be called deregulation."

While few bankers play so dominant or public a role as Mr. Herrhausen has at Daimler, their power to determine a company's course is unrivaled.

board member of a major industrial concern, who requested anonymity. "We welcome their expertise and their opinions, that is why they are there."

in my field, they wouldn't give me a penny. The banks will not risk betting on an idea. But without money, how do you turn an idea into a business?"

GREENSPAN: Discount-Rate Hike Makes Fund Managers Nervous

(Continued from first finance page) other preliminary data, forced his hand," said Edward A. Taber, head of the fixed-income division at T. Rowe Price Associates, which invests \$11.5 billion.

concentrating on inflation, is fighting the wrong war. They do not see evidence of higher prices and they worry that high interest rates could bring about a repeat of last year's stock market collapse or some other financial accident.

to know whether the Fed has made the right or wrong move by trying to tighten on an economic growth. "I don't think I've ever seen people so frustrated," said Greg A. Smith, chief investment strategist at Prudential-Bache Securities Corp.

While few bankers play so dominant or public a role as Mr. Herrhausen has at Daimler, their power to determine a company's course is unrivaled.

Wednesday's OTC Prices. NASDAQ prices as of 4 p.m. New York time. The accompanying list consists of the 100 most traded securities in terms of dollar volume.

Table with columns: Stock, Div, Yld, PE, High, Low, Change. Lists various OTC stocks.

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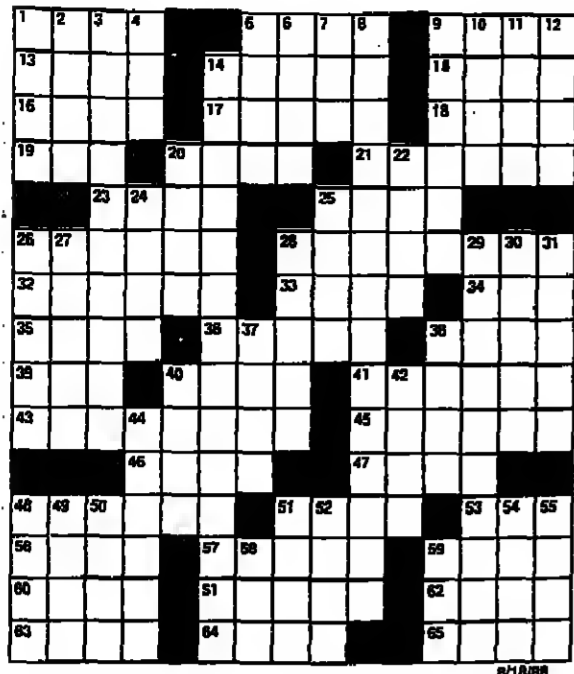
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Wednesday's AMEX Closing. Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.



ACROSS 1 This may turn 5 Help a hood 9 Senseless? 13 Eye layer 14 Plant life 15 To you, Pierre! 16 Pupils' ordeal 17 Happy as 18 Lizard: Comb form 19 L.A. campus 20 Small opening 21 Used acid 22 Ab successor 23 Labor safety orz. 26 Doubleday and Li' 28 Amanda of 'A Year in the Life' 32 Fall asleep 33 Like a paleface? 34 To, in Dundee 35 Algerian port 36 Rajah's wife 38 Simon- (authentic) 39 Rather 40 This can put you in a bind 41 Feathered 43 What dare devils go to 45 Kappa chaser 46 Participial endings 47 Soviet stream 48 You, right now

DOWN 1 Gurban for Sajn Jaffe 2 Currier's partner 3 Next 4 Tuck away 5 - Want for Christmas 6 Luggage or hooker 7 Slip up 8 Bets big 9 Racing acronym 10 A Monument Valley site 11 Grimace 12 Larry of the N.B.A. 14 Loses favor 20 Shoot the cur! 22 People, generally 24 Amos or Uris 25 Platinum wire loop 26 Positive terminal 27 Shoddy merchandise 28 Glazier's 29 Inept boxer 30 Displayed skill 31 - body cry? - Burns 37 Gibraltar 38 Mountain lion 40 Coty or Clair 42 Bedeck 44 Carson's stand-in, once 48 Tear piece 49 Give the green light 50 Luigi's funds 51 Fight 52 Flavouring for a Nice cordial 54 First triumvirate foe 55 Applications 58 Lennon film: 1967 59 Mode leaders

New York Times, edited by Eugene Malachuk.

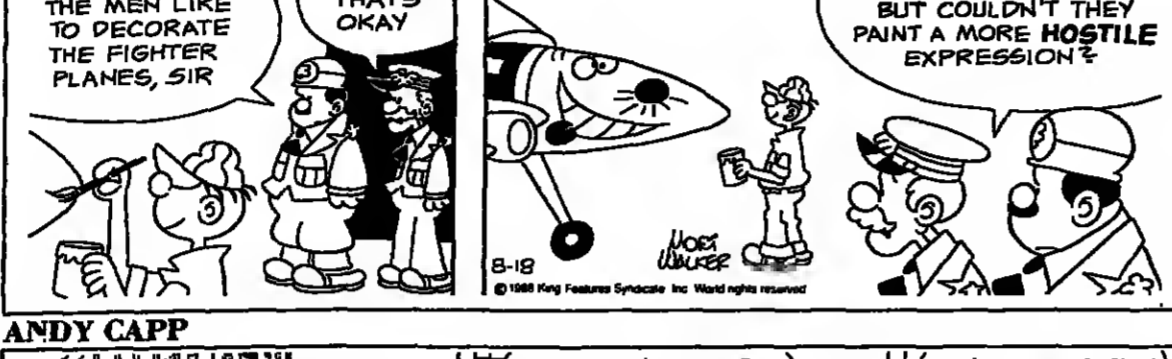
PEANUTS



BLONDIE



BEEBLE BAILEY



ANDY CAPP



WIZARD of ID



REX MORGAN



GARFIELD



BOOKS

THE GREAT CARUSO

By Michael Scott. 322 pages \$24.95. Alfred A. Knopf. 201 East 50th Street, New York, N. Y. 10022.

Reviewed by Joseph McLellan

WHY a new biography of Enrico Caruso? The singer's voice was last heard in public, in his 607th Metropolitan Opera performance, on Christmas Eve 1920. The generations that knew him in person have passed into history. The singers who shared the stage with him have long been forgotten by the average music-lover. But Caruso's legend remains undiminished; his audience is still growing, and no tenor, even today, can plan an operatic career without feeling that he walks in Caruso's shadow. His records, made before the introduction of the microphone into recording studios, have remained steadily on the market, passing their faded sounds triumphantly through a series of new recording technologies. More Caruso recordings are available today than at any point in his lifetime. And they are still attracting attention. His perennially popular performance of "Vesti la giubba" from "Pagliacci" is a highlight of the film "Aria," reaching a new audience in the young generation. It has existed for 80 years, and in its digitally remastered form (available on the "Aria" soundtrack) it sounds better than ever before. Books about Caruso began to be published during his lifetime. Biographers who put their memories on paper not long after his death include his wife, Dorothy, and his last and most capable secretary, Bruno Zitaro. For the general reader in English, Stanley Jackson's highly readable and usually reliable "Caruso" has been available since 1972. And Dover has published 473 of the remarkably fine caricatures that the singer used to sketch on menus and the backs of envelopes in unoccupied moments. In spite of all this documentation, Michael Scott's biography fills a need; it brings together in one volume masses of material that had previously been scattered through different publications: abundant anecdotes on Caruso's personality and career, expertly compiled lists of every known Caruso performance and recording; even a few of the singer-cartoonist's deftly penciled self-portraits. Most hard-core Caruso fans probably have Jackson's book, and Scott has tailored "The Great Caruso," to some extent, for those read-

ers. His book is strongest where Jackson's is weakest. They cover a lot of the same ground, but, among the quotes and anecdotes available, Scott clearly tries to avoid duplication. Jackson does not have Scott's keen musical judgment or documentary thoroughness, but he shows a finer sense of anecdote in describing the more colorful episodes of Caruso's life: his long, tempestuous affair with Ada Giachetti, a mother of his first two children; his arrest on a (probably trumped-up) charge of molesting a woman in the Central Park Zoo in New York; his brief career in silent films; the variety of women who pursued him, and from whom he sometimes had to buy back his love letters; and the soap opera-like complications leading up to his marriage to Dorothy Benjamin. Scott covers all these things methodically, but Jackson does it with more flair. "The Great Caruso," though, includes expert discussions of Caruso's voice and the technical qualities that made him a unique performer. Scott was an opera impresario (the founder of the London Opera Society), and he writes well about this art. His two-volume, "The Record of Singing," provides carefully compiled data on hundreds of Caruso's contemporaries. In addition, he has done enormous research, checking reports in old newspapers and manuscript materials left by intimates of Caruso. The resulting study is not notable for originality so much as for thoroughness and ingenuity of construction. Precisely because the material is so varied and abundant, there has long been a need for a book that will pull it all together. That is what Scott has produced. While the narrative voice is consistently Scott's, the sources of a typical chapter will vary almost from one sentence to the next: quotes from several newspapers published in three or four languages; a sentence or two from someone who knew Caruso (a friend, his secretary, his wife); new newspaper material; a few lines from a memoir of a conductor (Toscanini, for example, who was a friend, or Otto Klemperer, who admired Caruso's musicianship); more newspaper material, then a quote, perhaps from an impresario - say, Giulio Gatti-Casazza, who ruled first at La Scala and later at the Met - or a fellow singer.

The texture of this book shows a willingness to sift through vast amounts of dust for the grain or two of gold concealed therein. But it also shows rarer qualities: the ability to recognize that gold when it turns up and a precise sense of where it should be put in one's own mosaic. Scott also has the sense to recognize and compensate for his limitations; for the last 120 pages of his book, he has brought in expert help. Thomas G. Kaufman has compiled an exhaustive list of Caruso performances from 1894 to 1920, and John R. Bolig has updated the massive discography (498 known recordings; 245 still known to exist) that he published originally 15 years ago. This is not the "definitive" biography, in the sense that it does not reproduce programs, hotel bills and recording contracts. But it leaves the reader feeling that everything knowable and worth knowing about Caruso has been covered. Joseph McLellan is on the staff of The Washington Post.

Solution to Previous Puzzle

OPS PAID SCAB
HOLE OPTIC TIRE
CLING PEACH ENNA
HYMNAL SEAWATER
OBAD DRAMA
BARBERED TAYLOR
IDOLS REBEC OWE
NOME LEGER LUNA
ERE DAKAR TAPER
TEAPOT STRIVERS
PELEE HEMI
TIPSTERS LONELY
ORLE NECTARINES
DIET SCARY AIDE
OSSA TRIS DAI

North-South on the diagrammed deal from the Cavendish Charity Teams in July. They arrived in five clubs as shown after East had jammed the auction with a weak jump-shift in response to two spades. After an opening spade lead, South won, cashed the club king and led to dummy's queen. He then ruffed a spade and led a diamond. When West put up the ace and returned a diamond, South finessed the ten successfully and cashed the king. Globok now led the heart three with assurance. From the bidding he knew there were five hearts on his left, so one of his opponents was certain to be employed. It turned out to be West.

BRIDGE

By Alan Truscott

EIGHT teams survived in the quarter-final stage of the Grand National Team Championship in Salt Lake City, Utah, last July. The focus of attention will be the Spingold knockout teams, which produced a surprise in Baltimore, a year ago. The victory went to a pickup foursome including Jaggy Shivasani of India, the first player from another continent to win the Spingold in its 54-year history. On his team were Harry Stappenbeck of Uniondale, Long Island; Dan Rotman of Los Angeles; and Brian Globok of Manhattan. Rotman and Globok were

employed. It turned out to be West.

JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

Answers tomorrow: AMITY WRATH HENOTE SECONI. What those young history teachers did at their annual get-together - MADE "OATES".

WEATHER

Table with columns for EUROPE, ASIA, NORTH AMERICA, MIDDLE EAST, OCEANIA, and various cities with weather forecasts.

World Stock Markets

Via Agence France Presse. Closing prices in local currencies, Aug. 17

Table of stock market data for various countries including Amsterdam, Zurich, Tokyo, Sao Paulo, Madrid, London, Milan, Frankfurt, Hong Kong, and Paris.

Zurich

Table of stock market data for Zurich, including companies like Adia, Alkantara, and Bank Leu.

Tokyo

Table of stock market data for Tokyo, including companies like Dai-ichi Kangyo Bank and Daiwa Kangyo Bank.

Stocks

Table of stock market data for various international markets including Amsterdam, Zurich, Tokyo, Sao Paulo, Madrid, London, Milan, Frankfurt, Hong Kong, and Paris.

Vertical sidebar containing various advertisements and sports-related content, including 'Kimball', 'Mets Hot', 'Baseball Roundup', and 'Scoreboard'.



SPORTS

Kimball to Compete Despite Manslaughter Charges

By Michael Janofsky

New York Times Service

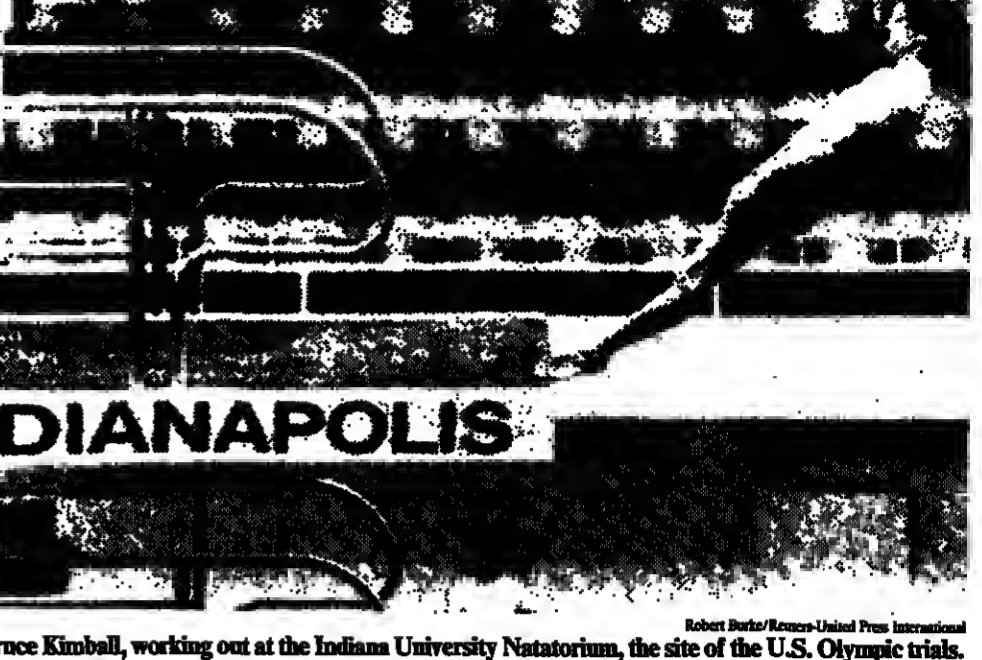
INDIANAPOLIS — Bruce Kimball, the diver facing alcohol-related manslaughter charges for his involvement in a fatal car accident two weeks ago, said Tuesday in a quivering voice that he intends to compete in the U.S. Olympic trials this week.

up, I'm not sure if I could live with myself if I do." The trials began Wednesday, with the men's competition starting Thursday in the 3-meter springboard and Saturday in the 10-meter platform. Kimball has notified United States Diving, the sport's governing body, that he intends to compete in both events.

O'Brien, coach of the Olympic diving team, said he was not sure if Kimball would be allowed to compete. "We are here for one purpose, to select an Olympic team, not judge Bruce. Should he compete? I can't comment on that."

Kimball, a silver medalist in the platform event at the 1984 Olympics in Los Angeles and a favorite to make the team again, was charged Monday with two counts of driving under the influence-manslaughter, second-degree felonies, and three counts of driving under the influence-serious personal injury, third-degree felonies.

They are a rewarding experience for all the athletes," Gompf said. "I hope nothing will make it anything other than a rewarding experience." Like other divers, Louganis, the 1984 Olympic champion in both men's events, said he regretted the situation and would try "just to concentrate on myself."



Bruce Kimball, working out at the Indiana University Natatorium, the site of the U.S. Olympic trials.

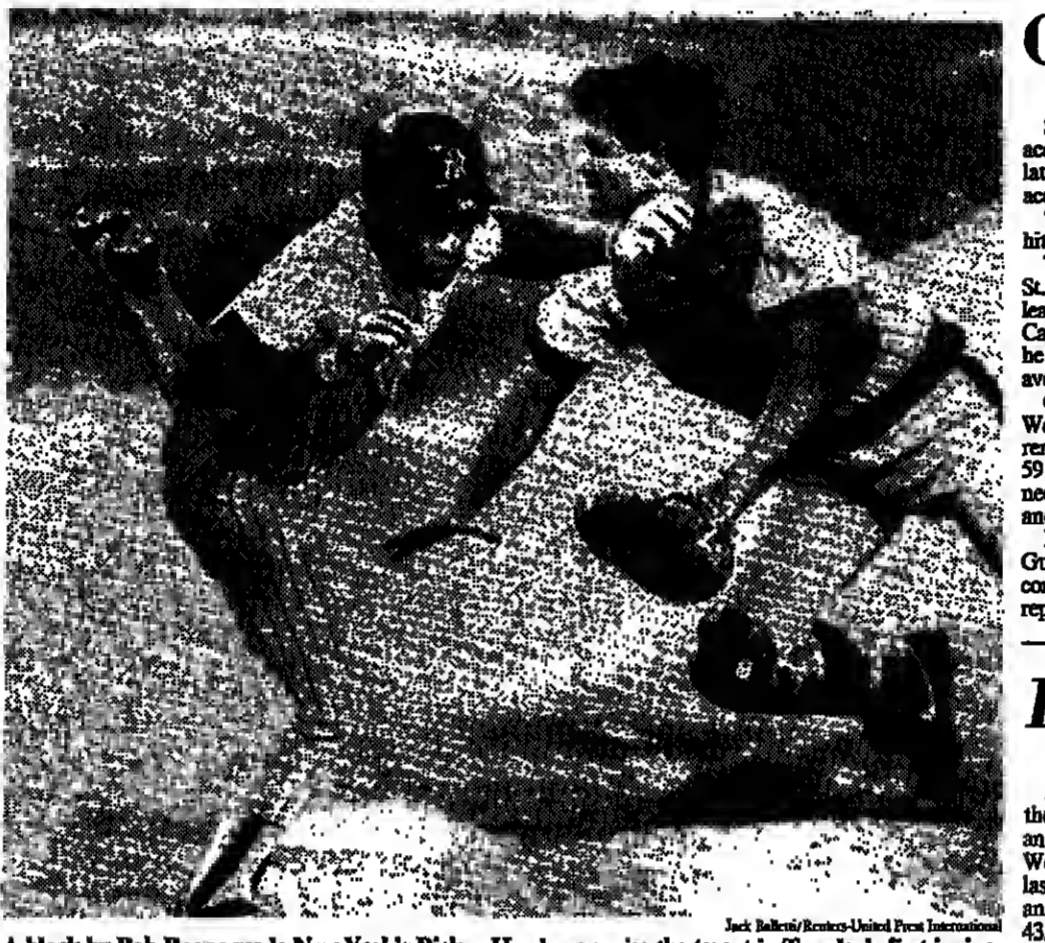
Mets Hot Amid Chill, Icing Giants by 13-6

Compiled by Our Staff From Dispatches SAN FRANCISCO — In the heat of the East, the New York Mets have been weak. But in the chill of Candlestick Park on Tuesday night, they heated up.

Pirates 4, Braves 2: In Pittsburgh, a two-run single by Barry Bonds snapped a fifth-inning tie, and R.J. Reynolds and Andy Van Slyke homered to put the Pirates past Atlanta. Doug Drabek won his sixth consecutive decision since June 21.

BASEBALL ROUNDUP 13-6 to stay 5 1/2 games ahead of Pittsburgh in the National League East. It was 60 degrees (15.5 centigrade) in windy Candlestick, a marked change from the recent 90- and 100-degree days back East.

Padres 6, Expos 2: In San Diego, Tony Gwynn went 3-for-3, drove in two runs and scored twice to pace the Padres. Gwynn, batting .320 on the season, has hit .426 in his last 14 games.



A block by Bob Boone made New York's Ricky Henderson miss the target in Tuesday's first inning; Henderson was tagged out when he reached back to touch the plate. California bombed the Yankees, 15-6.

Cards, Dodgers: Tudor for Guerrero

The Associated Press

ST. LOUIS — The run-starved St. Louis Cardinals acquired slugger Pedro Guerrero from Los Angeles late Tuesday in a one-for-one deal that sent pitching ace John Tudor to the Dodgers.

"It's very close. It's a bit low," Maxvill said of the amount that had been concurred. "He was earning \$1.72 million a year. You're not going to pay yesterday's prices."

The Dodgers did not need to negotiate with Tudor. He is under contract for 1989, at the same \$1.1 million he is being paid this season. Tudor has indicated he wants to retire after the 1989 season.

Twins 4, Tigers 1: In the American League in Detroit, the Tigers failed to score better than three runs for the 19th time in their last 26 games.

Mariners 7, Red Sox 0: In Boston, Scott Bankhead scattered nine hits to record his first major league shutout. The Red Sox lost their second straight game at Fenway Park since setting a league record with 24 consecutive victories at home.

It's Five Years Later, but Austin's Still in No Hurry

By Peter Alfano

New York Times Service

NEW YORK — For the last five years, Tracy Austin has been on the outside of women's tennis looking in, waiting for the chance to answer the skeptics who said she would never play competitively again.

clay-court winning streak in the process. In 1980, Austin moved up to No. 1 in the rankings, a position held by either Evert or Navratilova for the previous five years.

Tracy Austin, a tennis player, is shown in a black and white photograph. She is wearing a dark, sleeveless top and is looking towards the camera with a slight smile. Her hair is pulled back, and she has a focused expression.

But also pitfalls, the most notable being lost youth. For every Evert, Navratilova, Austin and Graf, there are dozens who drop out, those who may have talent but not the temperament to survive.

"That's more important than what I might have done in tennis. I'm grateful and I have no regrets. I know this sounds too wonderful, but I'm not acting."

Evans astounded the world by running the 400-meter race in 43.86 at the 1968 Olympics in Mexico City — the same Games where Bob Beamon set a still-unbroken record of 29 feet, 2 1/2 inches in the long jump.

SCOREBOARD

BASEBALL

Tuesday's Line Scores

Table with columns for team names and scores. Includes American League and National League games.

Major League Standings

Table showing league standings for American League and National League, including divisions and individual team records.

TRANSITION

PHILADELPHIA — Normand Lanza (Habs) director of player development, Jay Hersh (Astros) director of scouting and Dan Steinmann (Astros) league coordinator.

FOOTBALL

Table showing NFL standings for AFC and NFC divisions, including team names and records.

FOOTBALL

ATLANTA — Released Fred McCarroll, offensive tackle, to a three-year contract. CLEVELAND — Signed Stanislav Kova, forward, to a four-year contract.

FOOTBALL

Table showing CFL standings for Eastern and Western divisions, including team names and records.

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GENEVA GINGER \* ESCORT SERVICE Tel: 022/34 41 86

ART BUCHWALD

The Trump Column

WASHINGTON — Donald Trump and his lovely wife, Ivana, were eating breakfast in the window of Tiffany's...

"No, but I have an option on it as soon as Iraq and Iran work out all the details of a cease-fire. They'll be renamed the Strait of Trump."

Texas Link Seen To British Colony

HOUSTON — A set of graves dug into the banks of Buffalo Bayou near downtown Houston may be the remnants of a lost British colony in Texas...

Hillerman's Navajo Whodunits

By Deborah Stead

NEW YORK — Tooy Hillerman is, as they say in publishing, breaking out. His ninth and latest mystery novel, "A Thief of Time," featuring his Navajo detective Joe Leaphorn and Jim Chee...



Hillerman: A twisting path through journalism and academia to mystery writing.

With the plastic of fiction, instead of the hard rock of truth, he said. "As writing becomes more important to you, you want to grab that."

PEOPLE

Longevity Expert's Tips

Mievoud Davidaze, 131, has some tips for those who want to live a long time: "Don't get mad over silly little things," "make each new day a joy," "get plenty of physical work" and "don't smoke," Tass reports.

Pauline Trigere is taking on John B. Fairchild, a man few in the fashion industry dare offend, in a full-page advertisement in several magazines.

Joel Strote, a Hollywood entertainment lawyer, has defeated a court challenge to his control of two multimillion-dollar trusts in the estate of Liberace.

PERSONAL MESSAGES

POLY FURNISHED. Please call home or on mobile. Julie is fine. Her number is 212-633-1111.

ANNOUNCEMENTS

TO OUR READERS VISITING FROM THE IHT IS NOW AVAILABLE IN KEY U.S. CITIES ON DATE OF ISSUE

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SERVICES

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TO OUR READERS IN HOLLAND

The International Herald Tribune is now on newsstands throughout Holland every morning six days a week.

Quayle: The Global Newspaper. A large advertisement for The Global Newspaper.

U.S. Attacked On Its UN Debt. A large advertisement with a map of the United States and text about UN debt.